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STAR WITNESS—Group of photographers train their cameras on John N. Mitchell as the former attorney general prepares to take the witness stand before the Senate Watergate investigating panel in Washington yesterday.

Admits Knowing of Cover-Up Mitchell Denies He Approved Watergate Espionage Scheme

WASHINGTON, July 10 (AP).—John N. Mitchell testified today that he kept what he knew about Watergate and its cover-up from President Nixon because he feared his friend and former boss would take actions detrimental to his presidential campaign.

The former attorney general also denied that he approved the wiretapping of Democratic party headquarters, but conceded that he cooperated in some of the subsequent cover-up to keep the lid on "White House horrors."

As late as last December or January, Mr. Mitchell said, he hoped the story would remain bottled up "because there was no necessity of scarring a President who was not involved. It wouldn't affect his election by then, but would affect his presidency."

Throughout his testimony, Mr. Mitchell maintained his belief that the President knew nothing about what had happened in the Watergate break-in and of the efforts made to keep the story quiet.

"I think I know the individual," Mr. Mitchell said of his former law partner. "I know his reaction to things. I have a very strong feeling that during the period of time I was in association with him, I just don't believe he had that information or knowledge."

"I think the type of conversations he would have brought out, I do have faith in the President and I do think I have knowledge of the man. I think there were enough discussions in the general area that the subject would have come out if the President had knowledge."

Q. Did you, yourself, tell the President what you knew or learned?
A. No, sir, I did not.

Q. Why?
A. I did not think it was appropriate for him to have that type of knowledge because I knew the actions he would take and it would be just detrimental to his political campaign.

In retrospect, he said, he felt he probably should have told Mr. Nixon, but because White House personnel was changing and because "maybe this would go away," he did not.

Committee counsel Samuel Dash asked whether Mr. Mitchell was aware of anyone else having any conversations with the President "concerning the cover-up or horror stories."

"You are not in a position to state to this committee of your own knowledge whether the President knew of the break-in or cover-up?" Mr. Dash asked.

"I can only state to my knowledge he did not know," Mr. Mitchell replied. "It is based solely on my association with the President and not conversations on the affirmative side of the subject matter."

Dean Testimony
Former White House counsel John W. Dean 3d, in five days of testimony before the Independence Day recess, said he repeatedly "warned" Mr. Nixon about the cover-up and that he felt the President was aware of the efforts as early as last Sept. 15.

Mr. Mitchell, the country's top law enforcement official from January, 1969, until he resigned on March 1, 1972, to direct the President's campaign, testified under subpoena from the Senate committee but without immunity.

He has pleaded not guilty and moved for dismissal of a federal indictment in New York charging him and others with perjury, obstruction of justice and conspiracy to commit fraud in connection with a \$200,000 campaign contribution.

He also defended two previous statements he has made under oath.

In a Watergate civil suit last Sept. 5, he said he had heard nothing about surveillance of Democratic party headquarters while he was campaign director. But today he said there were such discussions. The question,

he insisted, was put in a narrow context in September dealing with the security group at the Committee for the Re-Election of the President. He said he had not been asked the right question.

And when he testified at a Judiciary Committee hearing March 14, 1972, that he had no re-election responsibilities while still attorney general, Mr. Mitchell said he was referring to Republican party responsibilities—not to his activities in behalf of Mr. Nixon's re-election.

Mr. Mitchell's wife, Martha, his most voluble defender, was not in the crowded hearing room as he testified. Mr. Mitchell was accompanied only by his attorney.

He was questioned closely about the now well-publicized meetings he had with Jeb Stuart Magruder, G. Gordon Liddy and Mr. Dean in his Justice Department office on Jan. 27 and Feb. 4, 1972, and with Mr. Magruder, Liddy and Frederick C. LaRue at Key Biscayne, Fla., on March 30.

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BACK IN WASHINGTON—President and Mrs. Nixon with son-in-law David Eisenhower on their arrival in Washington from Kansas City, where Mr. Nixon made a stopover en route from San Clemente to attend the swearing-in ceremony of Clarence M. Kelley as FBI chief. Mr. Nixon had been absent from Washington for almost three weeks.

The Dollar Improves, Adding 5%; Foreign Help May Have Started

By Clyde H. Farnsworth
PARIS, July 10 (NYT).—The dollar continued to rally today, adding approximately 5 percent to its depressed value in the last two days, amid reports that an intervention policy may have already been activated.

Central bankers of the major Western nations worked out the technical arrangements to shore up the dollar at a weekend meeting in Basel, and from Washington the Federal Reserve Board announced a one-third increase in American short-term borrowing powers with foreign governments to give credibility to any new monetary detente.

There were reports that the Bank of France may have been selling for U.S. authorities in buying dollars today in Paris and this helped propel the rate of the dollar against the French franc.

Also helping the dollar was the suggestion in Washington by former deputy Treasury secretary Charles Walker that the United States should sell \$1 billion of gold in the free market to depress the high-flying gold price.

Gold Price Drops
Under normal market relationships, dollar values rise when the price of gold falls. Gold today dropped to around \$122 from \$125 yesterday.

The dollar touched a high of 4.10 French francs at the close at 4:09. Yesterday's close was 3.96. The dollar rose to 3.975 German marks from 3.950 yesterday and to 2.8450 Swiss francs from 2.775 yesterday.

Usually reliable sources said that Federal Reserve Board officials from Washington and European central bankers were able to agree last weekend on a plan in which they would share any exchange risks that might arise from borrowings of European currencies on a 50-50 basis.

This has been one of the principal obstacles to agreement on central bank intervention.

Important Implications
The accord would have important implications, for it would mean that the Europeans genuinely see present exchange rates as something they can back up.

Under normal short-term central banking credits the borrower accepts the exchange risk in full, since the borrower has to go into the market when the loan matures to buy back the lender's currency.

It is the United States buying German marks and the German mark is higher when the loan matures, normally the United States would have to pay the higher going rate for marks to repay Germany.

But this was unacceptable to the United States in a floating rate currency system. For months

the argument has run on over how to divide up the risks.

The new agreement, together with the enlargement of the short-term central bank credits available to the United States from \$12 billion to \$18 billion, was seen by qualified sources in Paris as making any flexible intervention policy credible.

It is believed that the United States would not defend a rigid rate system, but would probably tend to "lean against the wind a little," which means that in thin markets when the dollar's rate is falling, there might be some discreet official buying to prevent the dollar from getting too low.

The Federal Reserve Board announced today it has increased by \$6.25 billion the amount of money it can obtain under so-called swap agreements to support the dollar.

The increase raises the total amount of foreign currencies available to the United States under the swap agreements to \$17.98 billion.

In a swap operation, the United States borrows foreign currencies to buy up dollars on international currency exchanges, thus supporting the value of the dollar.

There still was no comment from the Federal Reserve Board or the Treasury Department on whether the United States actually was engaging in swap operations during the current monetary crisis.

But the announcement of the increased currencies available to the United States under swap agreements is clearly designed to have at least a psychological impact on foreign money operations.

The Federal Reserve Board said in its statement today: "This announcement reflects arrangements that are being carried out in conformity with the policy that was agreed to at the March 16 Paris meeting of finance ministers and central bank governors."

Although financial authorities in some countries, notably France, have been urging the United States to intervene on behalf of the dollar, the United States has favored a policy of allowing the new system of floating exchange rates to operate without intervention.

The Federal Reserve maintains its swap arrangements with 14 foreign central banks and the Bank for International Settlements.

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Stronger Dollar Boosts Wall St.

NEW YORK, July 10 (NYT).—News of a rally in the price of the dollar in Europe caused a sharp advance on the New York Stock Exchange today.

The Dow Jones industrial average jumped 11.06 points and advanced led declines by a ratio of more than three to one. Story Page 9.

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U.S. Raises Swap Level to \$17.98 Billion

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Kenneth Rush

U.S. Aide Sees Unilateral Cut In GIs 'Crippling' Troop Talks

By Marilyn Berger

WASHINGTON, July 10 (WP).—Unilateral reduction of U.S. forces in Europe, even the withdrawal of as few as 1,000 troops, would start the "process of unraveling the peacetime defense of the West," and seriously "cripple" efforts to negotiate mutual cutbacks with the East, Deputy Secretary of State Kenneth Rush told Congress today.

In strong terms, and predicting dire consequences, Mr. Rush told an often skeptical House Foreign Affairs Committee that the administration "unequivocally opposed . . . any unilateral reduction of American forces in Western Europe."

Mr. Rush said the United States was trying to "create a more normal relationship between East and West" while attempting to get the West European allies to contribute more to their defense and to improve the trade and monetary system.

Mr. Rush was the first of six administration spokesmen who will appear before the committee this week to oppose passage of a number of resolutions that would require cuts in U.S. forces in Europe. Scheduled to appear tomorrow are Defense Secretary James R. Schlesinger, Chairman of the Joint Chiefs of Staff Adm. Thomas Moorer, and the supreme allied commander in Europe, Gen. Andrew J. Goodpaster.

Mr. Rush said: "This is the moment in history when our postwar policies are about to bear the long-desired fruits of relaxed tension, greater stability, reduced costs, and a more secure world peace. It would be folly

to abandon the very policies that have brought us to the threshold of our long-term objective."

The deputy secretary argued that the NATO allies were contributing substantially to Western defense and disputed suggestions that there would be great savings by bringing the troops home, unless they were demobilized.

"While there is a modest margin for error, it is a modest margin," he said.

(Continued on Page 2, Col. 5)

LONDON, July 10 (Reuters).—Prime Minister Edward Heath today rejected a demand by Labor leader Harold Wilson to cancel the visit of Portuguese Prime Minister Marcello Caetano to Britain next week.

Mr. Wilson's demand in Parliament followed the publication today in the Times of London of allegations of the massacre of hundreds of villagers by Portuguese troops in Mozambique.

The Times story was written by a Catholic priest from Birmingham, the Rev. Adrian Hastings. He said reports of alleged brutality and massacres, including stories of babies kicked to death and a pregnant woman's womb ripped open, had come from Spanish missionaries working in Mozambique.

African Massacres Laid to Portuguese Troops

Heath Bars Wilson Bid to Cancel Visit Monday by Lisbon Premier

anniversary celebrations of the Anglo-Portuguese alliance.

Mr. Wilson said Mr. Caetano's July 16-19 visit should be cancelled unless Mr. Heath could repudiate the newspaper allegations.

"The answer to that is no," Mr. Heath replied in the Commons.

Portuguese Denial
The Portuguese Embassy issued a statement tonight categorically denying the massacre reports and attacking the Times for the reports, which the embassy said had not been properly checked.

China Reports Wheat Crop Up

TOKYO, July 10 (AP).—China reports that despite drought and hail, wheat production in three important areas is roughly 10 percent better than in 1972.

The official news agency Hsinhua said political inspiration from leaders in the fields had a lot to do with the success.

The Chinese are recovering from a 1972 crop that was down 10 percent from 1971. To help meet their needs, they bought about \$58 million worth of U.S. agricultural products last year, mostly grain and soybean oil.

Drought hit earlier this year in the Shikichang and Yunmeng administrative regions, in the northern provinces of Hebei and Shanxi, respectively.

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"The Portuguese Embassy is in a position to state that the Portuguese government repudiates the reports most vigorously," the statement said.

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Marcello Caetano

News Analysis

Ebullient Brezhnev Vanishes Back Home Inside of Kremlin

By Hedrick Smith

MOSCOW, July 10 (NYT).—The gregarious, hand-shaking, back-slapping political style that Leonid I. Brezhnev employed before American television audiences during his recent visit to the United States already seems a thing of the past.

It was a brief and untypical interlude in the more staid traditional style of Soviet diplomacy. The after-glow of passions for the success of the Soviet leader's visit to America have rolled on in the Soviet press, but Mr. Brezhnev himself has disappeared behind the governmental curtain of security and secrecy that cuts him off from public view except for formal occasions and national celebrations.

In the last few days, he has given up the limelight to Premier Alexei N. Kosygin's trip to Austria and President Nikolai V. Podgorny's visit to Bulgaria.

Models of Comportment
Both men have been models of conservative comportment, shown in the media being greeted formally by their hosts or signing communiques—none of the levity and ebullience of Mr. Brezhnev's American interlude.

Like many Russian travelers, the Soviet Communist party chief seemed more genuinely relaxed abroad than in public at home, though those who have met him in small groups in the Kremlin say he is, in private here, much as he was in America.

Some Russians, as well as Western diplomats, regard his good-fellowship diplomacy in America as a bit of deliberate salesmanship intended to thaw American reservations about large-scale economic credits and long-term deals with the Kremlin. The Soviet press gave little hint of his gregariousness in its coverage of the visit.

But Soviet television coverage of his clowning and open-handedness with President Nixon and other American leaders aroused the curiosity of ordinary Russians who have never seen their 66-year-old leader so relaxed and informal.

"He showed a human face in

the West," a young Muscovite remarked to a foreign friend. "Why doesn't he do it here?"

A few conservatively inclined intellectuals winced at Mr. Brezhnev's clowning in America, especially when he virtually threw himself into the arms of the movie star Chuck Connors, who hoisted the visitor into the air for a raucous, bear-hug farewell at San Clemente. "I didn't like that at all," said a middle-aged man here.

But many Russians seemed pleased to see their leader playing an outgoing role and to read reports that he had found a warm reception and had left a good impression.

"None of That Shoe-Banging"

"Will it last?" a woman asked, "or is all this only temporary?"

"He did it with more style than Khrushchev," her husband interjected, without permitting a foreigner to answer her question. "Khrushchev was a boor. Brezhnev was informal with the Americans, but he did not show his taste. He was always well-dressed and there was none of that shoe-banging."

He was referring to the incident in 1960 when Premier Nikita Khrushchev took off his shoe and pounded on his table during a debate at the United Nations, an event that has embarrassed Russians ever since.

If any Politburo members had misgivings about the Brezhnev style in America, there has been no public indication yet. The visit was given the customary "full and complete" endorsement of the Politburo, Council of Ministers and Presidium of the Supreme Soviet. His "great personal contribution" to the success of the talks has been warmly applauded in the press for several days running.

His current willingness to take a back seat and let Mr. Kosygin and Mr. Podgorny have their days in the sun with visits to less important countries is in keeping with his periodic tactic of promoting a show of collective leadership immediately after personally undertaking important initiatives.

Mr. Brezhnev may have been especially alert to the sensitivities of his senior colleagues after having disclosed to reporters that Mikhail A. Suslov and Andrei P. Kirilenko, party secretaries, took his place running the Politburo in his absence, rather than Premier Kosygin or President Podgorny.

This careful political technique has won Mr. Brezhnev the reputation of being a consensus leader, much in the manner of President Johnson's early years—carefully tending a ruling coalition to insure his own pre-eminence.

Moreover, by retreating from view after making an enormous splash in headlines and on television, he is reducing the risk of being charged with fostering a cult of personality.

In sum, his more modest bearing at home seems intended to suit the demands of his most important domestic audience—the top hierarchy of the Communist party—just as his ebullient performance in the United States was tailored to the taste of American audiences.



MR. BREZHNEV'S FAMILY—His 88-year-old mother, Natalia Denisovna (seated, in white blouse); his wife, Victoria Petrovna (at right); behind her, his son, Yuri Leonidovich; his grandson, Andrei, and his daughter-in-law, Ludmila Vladimirovna.

Soviet Foreign-Trade System May Undergo Broad Reforms

By Theodore Shabad

MOSCOW, July 10 (NYT).—The Soviet Union is considering a far-reaching reorganization of its cumbersome foreign trade administration, with a view to stimulating exports and giving industry a more direct voice in foreign economic relations.

The changes under discussion, which would not alter the basic principle of state monopoly, appear to have given rise to debate within the government. Foreign trade officials, jealous of their traditional centralized control, are in contention with innovative planners who are eager to introduce greater efficiency and flexibility into the foreign-trade system.

The outcome of the internal discussion is still unclear. But the question of reform assumes particular significance at a time when both the Soviet Union and the United States are seeking to bring about a major expansion in trade after decades of insignificant exchanges.

One problem in Soviet-American trade has been Moscow's seeming inability to generate high-quality exports to balance the growing volume of imports from the United States. Another has been Soviet reluctance to let

foreign companies deal more directly with industry.

Some U.S. businessmen already have noted easier access to the users of the advanced technology which is being acquired by Soviet industry. In the past, Western concerns had dealt mainly with the purchasing agents of the foreign-trade system and had found difficulties in communicating with industrial establishments.

Problems of direct access have been a deterrent to the rapid expansion of representative offices of U.S. companies in Moscow. Although a substantial number have received authorization from the Russians, there are only two industrial companies with offices here, Pullman, Inc., of Chicago and Occidental Petroleum Corp. of Los Angeles. They have been joined by a bank, the Chase Manhattan.

A key person in the proposed foreign-trade reforms appears to be a 52-year-old economist, Nikolai N. Inozemtsev, who recently was promoted to a high position within the government's State Planning Committee. A deputy chairman since May, he will be responsible for the long-term planning of foreign trade. Previously, he had been only a department head dealing with foreign economic relations.

The planning post in the Soviet administration, combined with Mr. Inozemtsev's directorship of the Institute of World Economy, tends to give him a crucial role in formulating and implementing Soviet trade policy in conjunction with long-term development plans.

Discussing the need for reform in a recent meeting with U.S. businessmen, Mr. Inozemtsev said he saw room for improvements in three areas: A reorganization of foreign trade agencies, closer relations between Soviet industry and the trade agencies, and greater direct contact between U.S. and Soviet industrial establishments.

Aide Opposes Unilateral Cut In U.S. Forces

(Continued from Page 1)

Mr. Mitchell said LaRue, who was at the March 30 meeting, could back up his version. LaRue has pleaded guilty to a single count of obstruction of justice in the cover-up, but said in court that he didn't observe any approval of wiretapping at the March 30 meeting.

He also contradicted a "palpable, damnable lie" Mr. Magruder's sworn testimony that he was shown wiretap logs and that he had suggested earlier this year that Mr. Magruder might get executive clemency if convicted for his admitted perjury in the cover-up.

He also denied the testimony by campaign finance chairman Maurice H. Stans that he, Mr. Mitchell, specifically authorized payments of large sums of money to Liddy.

Mr. Mitchell humped under the heading of "White House horror stories" the activities of the so-called "plumbers" who burgled the office of Daniel Ellsberg's psychiatrist and spirited ITT figure Dita Beard out of town, and the domestic spy plans that he said he discovered.

Mr. Mitchell disclosed for the first time that Liddy and E. Howard Hunt got Mrs. Beard out of Washington or New York at a time when a Senate committee was looking into ITT's underwriting of the Republican convention planned for San Diego. Mrs. Beard was a key figure in the inquiry.

Mr. Mitchell was asked whether he or top White House aides H. R. Haldeman and John D. Ehrlichman ever expressed concern as to whether the horror stories would be revived during the campaign.

"I think we all had an innate fear they would be disclosed during the campaign," he said. "I did not believe it was fair to the President to have these stories come out during the campaign."

Q. Were you aware of a pro-

But Admits Knowing of Cover-Up Mitchell Denies Backing Watergate

(Continued from Page 1)

since convicted with six others of conspiracy in the burglary and wiretapping, presented elaborate political espionage plans at those meetings and that Mr. Mitchell gave his approval on March 30.

Mr. Mitchell said he angrily rejected a \$1-million plan at the first meeting, a half-million-dollar proposal at the second, and that his reaction on the third—for a \$350,000 plan that included Watergate—was:

"We don't need this, I am tired of hearing it. Out. Let's not discuss it any further."

Q. It was as clear as that?

A. In my opinion, it was just as clear as that. . . . Whether somebody thought they were going to speak it through or whether there would be less resistance or what, I don't know.

Mr. Magruder, in his testimony about the third Liddy proposal, insisted that Mr. Mitchell "simply signed off on it in the sense of saying 'Okay, let's give him a quarter of a million dollars and let's see what he can come up with.'"

"Could Mr. Magruder have in any way mistaken what your position was?" Mr. Dash asked.

"I would hope not," the witness replied.

He said that when Liddy first broached the plans for 1973 political espionage it was "a complete horror story" that involved wiretaps, call girls and code names. In hindsight, he testified, he not only should have thrown Liddy "out of the office, I should have thrown him out of the window."

Other Denials

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Q. Were you aware of a pro-

gram to make sure none of this information went to the grand jury?

A. We sure to hell weren't volunteering anything and we also were involved in a difficult series of civil cases. We weren't volunteering anything.

Mr. Mitchell said he had a strong feeling that Mr. Magruder would commit perjury when he appeared before a grand jury investigating Watergate, but he denied that Mr. Magruder had rehearsed his story with him.

Mr. Mitchell quit as campaign director on July 1, 1972, two weeks after the Watergate break-in. On June 3, he had lunch with the President. He said he felt by then that Mr. Magruder might be indicted, but that he did not tell the President that.

"There wasn't the question of

lifting the tent slightly," Mr. Mitchell said. "It was keeping the lid on and no information volunteered."

Q. Even if the lid had been kept on... wouldn't it be very embarrassing to the President or the United States if his deputy campaign director if his indictments in the break-in of the Democratic National Committee headquarters?

A. As far as the Watergate was concerned, that was already a public issue. It was the parties that were involved.

Mr. Mitchell said that in his last days as campaign director he apologized to the President for not knowing what had happened. I should have kept a stronger hand on what these people at the committee were doing.

Martha a 'No-Show' as Mitchell Appears Before Senate Probe

WASHINGTON, July 10 (UPI).—John N. Mitchell's wife Martha was not present today when he began testifying before the Senate Watergate committee. "She's in heaven, like all angels," said the attorney general, who joked with reporters.

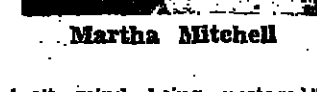
Mr. Mitchell, surrounded by reporters and cameramen when he arrived in the Senate Caucus Room about 30 minutes before the hearings started, side-stepped all questions on the whereabouts of Martha, one of the first to call attention to "dirty politics" and the Watergate scandal.

Responding to reporters' suggestions that he did not want Martha sitting behind him, Mr. Mitchell said: "I've never seen her refrain from doing anything in my life."

"Is she in Washington?" he was asked.

"I hope not," he replied with a smile.

When a reporter hinted that Martha might have taken the spotlight, Mr. Mitchell grinned and shot back: "This is one occasion where you Mr. Mitchell's lawyer said Mrs. Mitchell was 'in the South.' Asked if Mrs. Mitchell was in the South, he replied, 'with that accent she'll always be in the South.'"



Martha Mitchell

Skylab-2 Crew Checks Spaceship

CAPE KENNEDY, July 10 (AP).—The second crew of astronauts who will live aboard the Skylab space station made the last checkup yesterday of the Apollo spaceship that will host them into orbit on July 28.

Navy Capt. Alan Bean, 41, Owen Garriott, 42, a civilian, and Marine Maj. Jack Lousma, 37, spent several hours in the Apollo craft atop a Saturn rocket on the launch pad. Mr. Garriott has a doctorate in electrical engineering. Later they reviewed equipment they will take with them for the orbital mission that will last 84 days.

The astronauts returned to Houston today, where they will continue to train at the Johnson Space Center. The crew is in health quarantine for 21 days before launch and can only associate with persons whose health is monitored by space agency doctors.

Kadar Visiting Tito

BRIONI, Yugoslavia, July 10 (Reuters).—Hungarian Communist party secretary Janos Kadar arrived here today for a four-day visit to Yugoslavia and talks with President Tito—their first meeting since 1967.

U.K. Report Cites Massacres By Portugal in Mozambique

(Continued from Page 1)

Yamou said to have been shot, burned and kicked to death.

After describing how men and women were separated into groups to be shot, he said: "Many children at the breast and on the backs of their mothers were shot at the same time as their mothers."

Father Hastings dealt with the death of a woman called Vaina, who was shot and killed. Her nine-month-old son fell beside her, and a soldier advanced to stop him crying.

"He kicked the boy violently, destroying his head. 'Shut up, dog,' the soldier said."

"The prostrate child cried no more and the soldier returned with his boot covered with blood. 'His fellow soldiers welcomed the deed with a round of applause. 'Well done, you are a brave man.' It was the beginning of a macabre football match. His companions followed his example."

Father Hastings wrote that other soldiers forced people into huts and set them alight. And a pregnant woman named Zozinha, when she told the soldiers she did not know the sex of the child inside her, was cut open with knives and the throbbing foetus shown to her.

"Look, now you know," the soldiers said.

Afterwards, the woman and her child were burned.

The Times editorial compared the reported massacres with the shootings of Africans at Sharpeville in South Africa in 1960 and the massacre of Vietnamese civilians at My Lai in 1968, saying it rivaled both events in horror.

"It only remains to be seen whether Wiriyamu will have the same far-reaching consequences for Portugal as those two disasters had for South Africa and the United States," the newspaper commented.

UN Inquiry Urged

BRUSSELS, July 10 (UPI).—The United Nations should urgently open an investigation into the alleged massacre of Mozambique inhabitants by Portuguese troops, the International Confederation of Free Trade Unions said today.

In a cable to UN Secretary-General Kurt Waldheim, ICFTU General Secretary Otto Korten said: "We request an immediate investigation into the reported systematic massacres, pertaining to genocide, and demand that the strongest pressure be brought to bear on the Portuguese government to comply with UN resolutions."

U.S. Is Warned On 'Dirty Tricks' Against Uganda

KAMPALA, Uganda, July 10 (UPI).—President Idi Amin told the U.S. government not to play "dirty tricks" with Uganda, an official spokesman said today.

The spokesman said Gen. Amin said this at a meeting with Robert Kelley, U.S. chargé d'affaires in Kampala.

"Amin said if the U.S. government wants to play dirty tricks it should do so with countries like Cambodia, Korea and Vietnam and those of the Middle East and not with Uganda under his leadership," the spokesman said.

Mr. Kelley's meeting with Gen. Amin came a day after a group of 112 American Peace Corps volunteers flew out of Uganda where they had been detained since Saturday.

Gen. Amin had said the group might be mercenaries or "Zionists" headed for Rwanda, which experienced a bloodless coup last week.

Explosions Kill Four In Texas Arms Plant

GLENNDALE, Texas, July 10 (AP).—Three large explosions ripped through a munitions plant near here today. Local authorities said four people were killed and at least 32 others were injured.

The plant manufactures ammunition, hand grenade defectors and explosives for use in oil fields.

Costa Rica Chief Admits Role in Vesco TV Talk

SAN JOSE, Costa Rica, July 10 (AP).—President José Figueres yesterday admitted writing part of a speech that fugitive U.S. financier Robert L. Vesco delivered on Costa Rican television on March 5.

Gerardo Fernandez Duran, a Costa Rican lawyer, had charged earlier that Mr. Figueres served as Vesco's "advisor and intellectual collaborator" in writing "substantial parts" of the speech in which Mr. Vesco defended his own presence in Costa Rica.

"Maybe he [the attorney] thinks we need a watergate... here," Mr. Figueres said in a statement delivered to newsmen following a story which appeared in the London newspaper with Mr. Fernandez Duran's charges against Mr. Figueres.

Mr. Vesco, 37, and Mr. Figueres have been linked in various financial deals. Mr. Figueres has acknowledged that his personal bank account in New York was used for the deposit of funds from Vesco-related enterprises. Published reports have listed the amount at \$325,000.

Mr. Vesco is under criminal indictment in New York on charges of trying to influence a U.S. Securities and Exchange Commission investigation with a \$200,000 contribution to President Nixon's 1972 campaign fund. Mr. Vesco failed to appear in a New York court last month to answer the indictment, and Costa Rican courts have refused to extradite him.

Mr. Vesco is also charged along with 40 others in an SEC suit alleging that they bulked shareholders of Overseas Investors Services Ltd. of \$234 million.

Mr. Vesco has made investments in Costa Rica estimated at more than \$20 million since 1968. He has a home in San Jose, but now is believed staying at another home in the Bahamas.

WEATHER

ALABAMA	18	65	Partly
ALASKA	20	60	Partly
ARIZONA	27	81	Partly
ARKANSAS	30	86	Partly
CALIFORNIA	29	85	Sunny
COLORADO	24	73	Sunny
CONNECTICUT	21	70	Partly
DELAWARE	23	72	Partly
FLORIDA	24	73	Sunny
GEORGIA	22	71	Partly
ILLINOIS	20	69	Partly
INDIANA	21	70	Partly
IOWA	20	69	Partly
KANSAS	21	70	Partly
KENTUCKY	20	69	Partly
LOUISIANA	21	70	Partly
MAINE	20	69	Partly
MARYLAND	21	70	Partly
MASSACHUSETTS	20	69	Partly
MICHIGAN	20	69	Partly
MINNESOTA	20	69	Partly
MISSISSIPPI	21	70	Partly
MISSOURI	20	69	Partly
MONTANA	20	69	Partly
NEBRASKA	20	69	Partly
NEVADA	20	69	Partly
NEW HAMPSHIRE	20	69	Partly
NEW JERSEY	21	70	Partly
NEW MEXICO	20	69	Partly
NEW YORK	21	70	Partly
NORTH CAROLINA	21	70	Partly
NORTH DAKOTA	20	69	Partly
OHIO	20	69	Partly
OKLAHOMA	20	69	Partly
OREGON	20	69	Partly
PENNSYLVANIA	21	70	Partly
RHODE ISLAND	20	69	Partly
SOUTH CAROLINA	21	70	Partly
SOUTH DAKOTA	20	69	Partly
TENNESSEE	21	70	Partly
TEXAS	21	70	Partly
UTAH	20	69	Partly
Vermont	20	69	Partly
Virginia	21	70	Partly
Washington	21	70	Partly
West Virginia	20	69	Partly
Wisconsin	20	69	Partly
Wyoming	20	69	Partly

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		ATHENS: BUSTA 7 Filikina St. Tel.: 232 874.

Could Have Helped FBI Agents

Gray, Petersen Allegedly Had Data on Burglary Withheld

By Denny Walsh

WASHINGTON, July 10 (NYT).—For many months, two high justice department officials withheld information from Federal Bureau of Investigation agents that would have led the agents much earlier to the white group set up to scrutinize government leaks to newsmen, according to sources close to the FBI Watergate investigation.

In early July of last year, less than a month after the break-in at the Democratic National Headquarters on June 17, the Central Intelligence Agency furnished the former acting director of the FBI, L. Patrick Gray 3d, with documentation of the aid provided by the CIA to the cadre of White House operatives known as the "Plumbers," the sources said.

The three federal prosecutors and FBI field agents assigned to the Watergate case and related matters did not know that Mr. Gray had this material until it was discovered in his office safe after he resigned as head of the bureau on April 27.

Last October, Henry E. Petersen, an assistant attorney general, obtained this information from the CIA and, at the same time, learned that Mr. Gray had been in possession of the material for more than three months, according to the sources.

Police Get Lead On Gun in Killing Of Israeli in U.S.

WASHINGTON, July 10 (AP).—A 38-caliber pistol, possibly foreign-made, may have been used in the July 1 slaying of Israeli deputy military attaché Yosef Alon, according to police.

A lead on the weapon was obtained after FBI agents conducted tests on a bullet found in the yard of Col. Alon's home in Chevy Chase, Md., a suburb of Washington, police said.

They said the bullet was found Sunday near where Col. Alon was shot five times in the chest after returning to his home with his wife from an embassy party.

There is no known motive or suspect in the case. Federal investigators have been making a systematic nationwide check into the activities of known Arab terrorist sympathizers in an effort to determine if any were involved in the shooting.

"Ballistics evidence indicates the murder weapon was a .38 special hand gun of foreign origin," said a bulletin issued by police.

5 Sprays Holding Trichloride Dose Recalled by FDA

WASHINGTON, July 10 (AP).—The Food and Drug Administration yesterday asked manufacturers and distributors to recall five decongestant aerosol sprays containing the solvent 1,1,1-trichloroethane.

The FDA identified the products and the manufacturers as: Decongestant Spray, Morton Pharmaceuticals, Memphis, Tenn.; Nokof Decongestant Spray, Bacon Products, Chattanooga, Tenn.; Sun-Ray Decongestant Spray, Sun-Ray Inc., Siloam Springs, Ark.; Share Decongestant Spray, Share Corp., Brookfield, Wis.; and Resp-Eze, lot No. 730138 only.

The FDA said all the products are locally or regionally distributed either for retail sale to the public or through hospitals, clinics and other institutions.

An investigation was started in April following the death of a five-year-old girl in Cleveland, Ohio, after being treated for whooping cough with a Pertussin, mediated vaporizer spray.

The FDA found 18 deaths associated with the whooping cough spray. All but the Cleveland death have been traced to abusive sniffing or gross misuse.



A COUPE OF COFFEE—Some people give cars names, but this young couple, Mr. and Mrs. Nicholas Van Brunt, from Mahomet, Minn. (near St. Paul) went even one better. After their Volkswagen had traveled 175,000 miles, rather than junk it, they had it made into a 700-pound coffee table. They paid \$375 for it in 1968, but this year it was stolen and stripped of its engine. They recovered it and had the body compressed into a two-foot cube and gave it the place of honor, right in the center of their living room.

Canada Says Alaska Pipeline Perils 2d Route for Midwest

By Edward Cowan

WASHINGTON, July 10 (NYT).—In a fresh effort to block a trans-Alaska oil pipeline, the Canadian government has told Washington that if such a line were built chances would be slim for the laying of a second oil line through Canada's Mackenzie River valley to the upper Midwest states.

With the Senate beginning a debate on pipeline legislation, the official Canadian comment seemed to be intended to dissuade members of Congress from the Middle West from voting for a trans-Alaska route.

Answers to Ottawa questions on a Mackenzie route were made public yesterday by Rep. John Melcher, D. Mont., after he received them from the State Department.

Canada, rebutting Sen. Henry M. Jackson, D. Wash., a leading advocate of the Alaska route, said no treaty or agreement between Washington and Ottawa would be needed for a Mackenzie line.

Refineries in Sen. Jackson's home state would get Alaska crude oil from tankers that would load at Valdez, Alaska, at the southern terminus of the 78-mile line from Prudhoe Bay, which is on Alaska's North Slope.

Timing of Line
Sen. Jackson reiterated at a news conference his view that a Canadian line could not be started for four to six years and that this was an important reason for authorizing an Alaska line.

He also said that if litigation or legislative snarls delayed the start of construction beyond the spring of 1974, he would introduce a bill to build a federally owned and operated line. The issue now before Congress involves a line four feet in diameter to be built, owned and operated by a consortium of major oil companies.

Construction Delayed
Environmentalists have delayed construction of the pipeline for several years with challenges in the courts, to the intense frustration of the companies, which have tied up hundreds of millions of dollars in pipe that lies un-assembled and idle on the southern shores of Alaska. The United States Court of Appeals for the District of Columbia, without reaching environmental issues, upheld a lower-court decision blocking construction on the ground that in some places the facility would be wider than the limit of 30 feet in the 1930 Mineral Leasing Act.

A Jackson bill would remove that limitation. With the Nixon administration backing the Alaska route and the oil industry advertising heavily to rally public opinion behind it, some Midwestern sponsors of a Mackenzie route conceded privately that they appeared to lack the

"Southern University is a black

school under the control of a

state board of education which

has no members who are black,"

the report said. "This fact

evidently caused much of the

students' frustration, confusion

and distrust that led to the unrest

on the campus in October and

November 1972."

During that period there were

demonstrations, including a

march to the state capitol.

Incidents of vandalism, including

fires and window breaking, be-

came common.

Mr. Guste said he had turned

over all the testimony and in-

formation to an East Baton Rouge

Parish grand jury. As to the

likelihood of indictments, "I have

no comment on that," he said.

The 12-member commission

which drew up the report was

appointed by Mr. Guste and in-

cluded Turner Catledge, former

executive editor of The New York

Times; two Southern students,

and New Orleans attorney Revis

Ortigue, who served as a member

of the President's Commission on

No Shortage of Gasoline in U.S., No Glut Either

By Thomas O'Toole

WASHINGTON, July 10 (WP).—The gasoline shortage that frightened 100 million American motorists from coast to coast last month is suddenly not such a frightful shortage after all.

There is no sudden glut of gas either, but service stations that were limiting their sales are returning to normal operations. Independent retailers who feared bankruptcy are solvent once again, and giant oil companies are pondering whether to advertise the products or the scarcity are leaning toward the products once more.

Nobody counts on the crisis going away. Indeed, most oil company executives see only a brief respite this summer. Almost all of them think the shortage will be back again next spring, twice as bad as it was this year.

"We'll make it through this summer alright," Robert O. Anderson, chairman of Atlantic-Richfield Oil Corp., said, "but I don't know what to think about next summer except the worst."

Not that the gasoline crisis has not taken its toll. More than 2,000 independent gas station owners went out of business this year, victims of the springtime shortage that saw major oil companies simply cut off supplies to independents. Among the victims was a 30-station owner in Whittier, Calif., who was one of President Nixon's early political fund-raisers.

Some Changes
Some time-honored ways of doing things ended.

Prince George's County in Maryland no longer lets its volunteer firemen buy gasoline for 18 cents a gallon from fire station pumps. Pan American World Airways has reduced cruising speeds of its 707 jetliners from 540 to 520 miles an hour, a move that adds as much as seven minutes to flight times but which will save more than 10 million gallons of jet fuel in the next year.

Gasoline consumers have largely escaped the shortage, although spot scarcities have hit some states hard. Florida is one of these, stuck without a refinery and with one million tourists every summer.

Prices have skyrocketed because of the shortage. Gasoline sells for 10 percent more than it did a year ago, and black market prices flourish wherever the shortage is severe.

Motorists paid \$1 a gallon last month for gasoline in some parts

But Crisis Makings Persist

Cost of Living Council to Check Oil Industry for Price Violations

WASHINGTON, July 10 (AP).—The Cost of Living Council announced today a nationwide audit of the petroleum industry to detect possible price control violations and determine the extent of the gasoline shortage.

A spokesman said the investigation will last about five or six weeks and will be carried out by Internal Revenue Service agents.

One source said the agents will even measure the amount of gasoline in service station fuel tanks to determine whether reported shortages are as serious as have been reported.

James McLane, deputy council director and head of its price freeze operation, told newsmen that the goals of the nationwide check are:

- To identify major shifts in supply;
- To detect violations of the government's price control program;
- To help establish an "early warning system" of possible creation of black markets in the petroleum industry; and
- To provide information that will allow for adjustments of Phase-4 price control regulations over a period of time.

A spokesman said the investigation initially was carried out in four test cities and that "enough evidence" was found to justify a nationwide investigation.

Observers closer to the oil industry cite other reasons for the apparent end to the gasoline crisis this summer. They point out that rising oil imports have allowed U.S. refineries to operate at 93 percent of their rated capacity in the last two months, something that has not happened in years.

Imports Are Up
The country's crude oil imports have risen 35 percent since the President eliminated the quotas. William E. Simon, deputy secretary of the Treasury and chairman of the Oil Policy Committee said.

Mr. Simon said the other reason is that consumer demand has eased somewhat, triggered by conservation campaigns. But the biggest part of the problem involves more than driving habits.

There are now 100 million cars on U.S. roads, and auto makers expect to sell a record 12 million cars this year. The average car gets about 10.5 miles out of a gallon of gas today. New cars get less than that, due largely to pollution controls, air conditioning and car weight.

Air conditioning and car weight are the two biggest factors in the growth of gasoline consumption, which has risen from 735 million a car in 1970 to 765 million this year. An air conditioned 1973 Vega burns as much gasoline as a 1966 Cadillac without air conditioning.

All U.S. car models have put on weight, and the Environmental Protection Agency says a 5,000-pound car burns twice as much gas as a 2,500-pound car, meaning the average U.S. car model gets only half the mileage of its European or Japanese counterpart.

Pay-Bill Plan for Congress Passes Senate

WASHINGTON, July 10 (AP).—The Senate yesterday passed a bill under which members of Congress would get more frequent salary boosts without having to vote for them.

And, if President Nixon concurs, it could provide Senators and House members with an increase later this year in their present salaries of \$42,500 a year.

Comparable pay raises also would go into effect for federal judges and for top officials in the executive branch of the government.

The bill was passed in a routine call of the legislative calendar and sent to the House. There was no debate and no roll call vote.

The bill provides for a commission on executive, legislative and judicial salaries to be appointed every two years to recommend adjustments in the pay of the government's top officials.

A 1967 law calls for the appointment by the President of such a commission every four years.

Automatic Application
The law provides that the commission's recommendations may be approved or modified by the President and then, when submitted to Congress, take effect automatically unless disapproved within 30 days by either the Senate or the House.

This is the mechanism under which the salaries of Congress members were raised from \$30,000 to \$42,500 in 1969.

The present commission, which President Nixon delayed appointing, submitted its recommendations on June 30. They have not been made public, but there have been reports it recommended raising congressional salaries to \$55,000 a year.

Since the new bill would require the President to transmit his recommendations by Aug. 31, higher salaries could take effect early in October.

The Senate Post Office and Civil Service Committee said salary adjustments for members of Congress every four years has "the potential disadvantage that when pay increases are authorized they have been so long in coming that their magnitude invites criticism."

Rep. Mills Will Enter Hospital This Week

WASHINGTON, July 10 (AP).—Chairman Wilbur D. Mills of the House Ways and Means Committee said today he will enter a hospital sometime this week for a thorough examination and probably treatment for a spinal disc ailment, which has kept him in pain for several weeks.

But the Arkansas Democrat told newsmen he intends to work with the committee to complete action by the end of this month on urgent trade legislation.

Mr. Mills, one of the most powerful men in Congress by virtue of his 15-year chairmanship of the tax-writing Democratic party councils, announced over the weekend that if he cannot find relief for the back ailment he will not seek re-election next year.

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Protest Flotilla Is Gathering In French Nuclear Test Zone

WELLINGTON, New Zealand, July 10 (Reuters).—Two French reconnaissance planes today buzzed the New Zealand protest frigate, Otago, in the French nuclear testing zone around Mururoa Atoll.

A New Zealand spokesman aboard the 2,400-ton frigate reported by radio tonight that a

Pakistan to Let 500 Bengalis Return Home

UNITED NATIONS, N.Y., July 10 (AP).—Secretary-General Kurt Waldheim announced today that a group of Bengalis will be repatriated tomorrow from Pakistan to Bangladesh.

He expressed hope it would lead to a breakthrough in the India-Pakistan deadlock over the detention by India of 90,000 Pakistani POWs from the December 1971 war.

UN sources said about 500 Bengalis would comprise the first contingent to be taken back to Bangladesh, the new primary Bengali nation created as a result of the 1971 war.

Mr. Waldheim said their release is the result of negotiations carried out on his behalf by the UN High Commissioner for Refugees, Prince Sadruddin Aga Khan.

"We hope that this repatriation of Bengalis will be followed by other operations, including the return of a limited number of Pakistanis now in Bangladesh," Mr. Waldheim said.

180,000 Bengalis Stranded

It is estimated that 180,000 Bengalis were stranded in Pakistan as a result of the India-Pakistan war that gave birth to Bangladesh. The new nation was formerly the eastern wing of Pakistan.

India has said that the 90,000 Pakistani POWs will be held until a formal settlement of the war in a treaty. It was not immediately clear whether the return of the Bengalis was part of a wider deal that might clear the way for release of the Pakistanis in India.

Another complicating factor is the announced intention of Bangladesh leaders to try 180 Pakistanis for alleged war crimes.

3 PWs Slain in India

NEW DELHI, July 10 (Reuters).—Three Pakistanis were shot and killed yesterday while making an escape bid from a prisoner-of-war camp, it was announced today.

long-range Neptune planes of the French naval air force flew over the Otago this morning.

Another Neptune made two low passes this afternoon after the Otago changed course for a refueling rendezvous with the Australian navy oiler, Supply.

France's shadowing of protest vessels has stepped up since Paris this week issued warnings to world shipping and aircraft to keep away from the test area in the South Pacific.

Eastlife Day Blast Possible

The ban in the 73-mile-wide forbidden zone around Mururoa comes into force at one minute a.m. local time tomorrow, although reports circulating in Paris said the test may coincide with Bastille Day celebrations Saturday.

Meanwhile the Canadian-registered ketch Greenpeace III, rammed by a French minesweeper before last year's tests at Mururoa, left the New Zealand port of Whangarei on another protest voyage to the atoll.

The 105-foot New Zealand schooner Pri was also reported today to be 20 miles off Mururoa. The vessel—with nine men and three women aboard—has warned that it plans to stay in the danger zone "until the bomb goes off."

The Pri is sponsored by a New Zealand organization, which also is backing the 42-foot ketch Spirit of Peace—now refitting at the Cook Islands capital of Rarotonga before going back.

Four other Frenchmen, including a brigadier general and a priest, are on their way aboard the 48-foot British-registered yawl, Arwen.

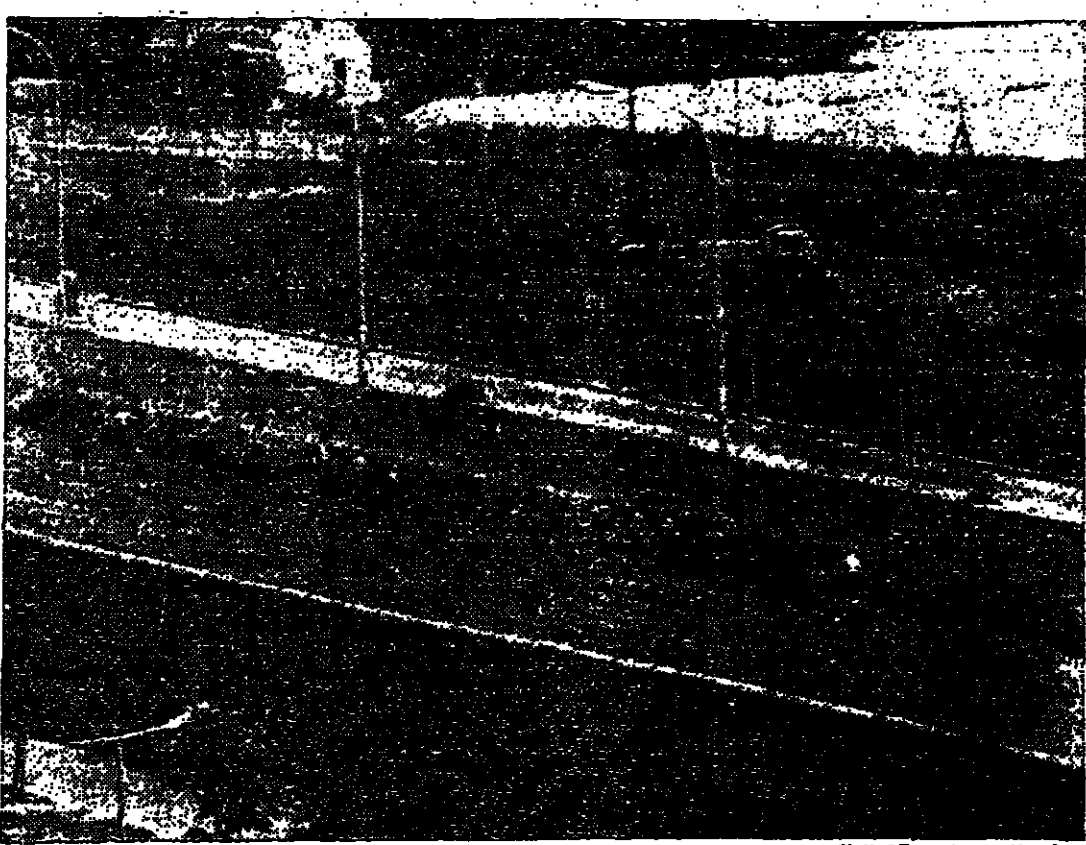
Also joining the protest flotilla is the 62-foot yacht Ara Kiwa, which left the New Zealand port of Napier in mid-May on an unsponsored protest voyage.

Australia Quits SEATO Exercise

CANBERRA, Australia, July 10 (Reuters).—Prime Minister Gough Whitlam has withdrawn Australian forces from a South East Asia Treaty Organisation naval exercise because it would coincide with his trip to China, government sources said today.

The sources added that Mr. Whitlam planned to visit Japan and China in October, when the joint SEATO exercise is due to begin in the South China Sea.

A spokesman for the Foreign Affairs Department here today said "the timing of this exercise was not particularly appropriate." The sources added that Mr. Whitlam had made the decision in June during the absence of Defense Minister Lance Bernard.



THE WALL—East German border guards clearing the undergrowth along the death strip.

Protests Over Shooting Continue

E. Germans Clear Weeds in Wall 'Death Strip'

BERLIN, July 10 (UPI).—East German border guards cleared undergrowth from the "death strip" along the wall today to deprive refugees of cover.

West Berlin police said a 50-man squad of border guards cleared away weeds and trash on the French sector border where three refugees were captured under gunfire early Sunday.

That incident prompted demonstrations by West Berliners and a Western Allies protest.

The Communists keep a 100-meter stretch of land behind the wall, the so-called "death strip," clear of obstacles to give border guards a clear field of fire.

But weeds this hot summer have sprung up along the wall at many points.

The border guards' work squad went to work at 6 a.m. In the early morning sunlight, they could see black flags and signs reading "Wall Murderers" hanging from windows in a West Berlin housing project about 100 meters away.

Residents of this housing project, many of them refugees themselves, tore a two-meter hole in the wall Sunday to protest the shooting.

The West German television network cancelled a program,

"Entertainment in the German Democratic Republic," scheduled last night because of "indignation over the wall incident."

The incident was denounced in the West German press, and the West Berlin branch of Chancellor Willy Brandt's Social Democratic party said in a statement today, "the inhuman conduct at the Berlin wall of the border organs of the German Democratic Republic make the loud peace-declarations of this state at international gatherings nothing but hollow words."

In a related action, the Chris-

Appeal to Theologian By German Cardinal

STUTTGART, West Germany, July 10 (NYT).—The chairman of the Roman Catholic Bishops' Conference of West Germany, Julius Cardinal Döpfner, yesterday deplored criticism of Vatican authorities by the Rev. Dr. Hans Küng, the controversial Swiss theologian, and appealed to him for "serene collaboration."

Cardinal Döpfner, who is archbishop of Munich, declared that Father Küng by his recent statement had made further debate "very difficult." Father Küng has questioned the dogma of papal infallibility.

tian Democratic party faction in the Kiel City Council asked their representative at East Germany's "Baltic Sea Week" in Rostock to return home immediately.

He had accompanied Kiel's mayor to East Germany's largest port, the first West Germans to officially visit there since signing of the normalization treaty.

Girl Loses Appeal

BERLIN, July 10 (Reuters).—The three Western Allies have rejected an appeal by a West Berlin lawyer to prevent the deportation of a teen-age girl to East Germany, where she is alleged to have killed her reportedly incestuous father a year ago.

The lawyer said the Allies had turned down his request to ask West Germany's Supreme Court to interfere on the grounds that the West German Constitutional Court had no judicial competence in West Berlin. Further, the matter fell clearly under the competence of West Berlin justice authorities, the Allied statement said.

On June 26, West Berlin's prosecutor general ruled that 17-year-old Ingrid Brueckmann would have to be handed back to East Germany at the request of authorities there.

Uruguay Strike in 14th Day After Police, Marchers Battle

MONTEVIDEO, Uruguay, July 10 (AP).—A 14-day-old leftist general strike against President Juan M. Bordaberry kept most Uruguayan industry shut today but failed to paralyze the country as its leaders had hoped.

The transportation system, which had been halted in the first week of the strike, was running normally and most shops in the downtown area were open. However, Montevideo's five morning newspapers were not printed, and most factories, which have been occupied by workers, remained closed.

The general strike was called by the banned National Convention of Labor to protest dissolution of Congress by Mr. Bordaberry, who assumed dictatorial powers on June 21.

Public transportation has become a critical factor in the strike, and the return to work of bus drivers indicated that the strike leaders were unable to enforce their call for a walkout.

Strike leaders called a major demonstration in the capital last night to intensify the walkouts. More than 300 demonstrators were arrested and scores injured as police attacked 5,000 marchers.

Ex-General Held

Retired Gen. Liber Seregni, a presidential candidate in 1971, when Mr. Bordaberry was elected, was among the persons arrested last night, his friends reported. Gen. Seregni, 54, the head of a coalition of left-wing parties, had signed a document urging his followers to resist the military-backed coup of Mr. Bordaberry.

Retired Navy Capt. Omar Murdock, the president of the opposition National party, also was reported to have been arrested.

In a joint bulletin issued today, the chiefs of Uruguay's armed forces said they had no political ambitions and only wanted to "reestablish order and calm."

Mr. Bordaberry has said he would rule with the aid of a 20-member Council of State until the end of his term in 1975, and then would turn over the government to his elected successor. Demolition experts today defused a bomb in a truck in front of El Pais, a newspaper that supports a faction of the National party. Police said it failed to explode because of a faulty detonator.

The march on the presidential palace last night was the largest anti-government demonstration since the takeover. The marchers sang the national anthem and repeated the phrase, "Tyrants tremble."

The police attacked the marchers on 18th of July Avenue near the palace, and the fighting raged for more than two hours. The police fired tear-gas grenades, then moved in with billy clubs.

Mounted officers joined in, using the flat of their sabres. Young demonstrators tried to throw up barricades, but they were overwhelmed.

Tanks Used

As the police pursued the demonstrators through narrow side streets, the army moved tanks to the National University and fired tear gas into buildings which are occupied by striking students in defiance of a presidential order closing all schools. The troops made no attempt to enter the buildings.

Medical sources said about 150 persons were treated for injuries after last night's clash. Six persons were treated for bullet wounds and one was reported in critical condition.

Earlier yesterday, a 15-year-old boy was shot and killed by a military patrol. Officials said he was in a group of youths that fired on a policeman, but his friends said he was painting an anti-government slogan on a wall.

Today, some 50,000 mourners, with flags raised, marched in the funeral procession of the slain youth, Walter Medina. Students carried the coffin, over which the Uruguayan flag was draped.

Majority Party Loses 5 Seats In Mexican Vote

MEXICO CITY, July 10 (UPI).

The Revolutionary Institutional party of President Luis Echeverria lost five seats in congressional elections held midway in the Echeverria administration, final results showed today.

The party, which has ruled Mexico for 43 years, had held all 194 seats in Congress since the 1970 elections.

The National Action party took two of the 27 Mexico City districts and two districts nearby; the Authentic Party of the Mexican Revolution, the smallest of the four registered parties, took one district in northern Mexico.

The People's Socialist party received only 3.5 percent of the votes.

Two of the losing government candidates were nationally known labor leaders. Commentators said this could indicate a shift in the Mexican labor movement away from its traditional protection under the ruling umbrella.

Egyptian in Yugoslavia

BELOGRADE, July 10 (UPI).

The Egyptian foreign minister, Mohammed Hassan el-Zayyat, arrived here today for three days of talks with Yugoslav leaders.

'Sale' of Beef Directs Police To Meat Haul

PENSACOLA, Fla., July 10 (AP).—A truck hijacked last week with 40,000 pounds of meat inside was recovered after the police received a tip that a roadside meat market was selling beef for 30 cents a pound.

The police said they received a tip yesterday that a market was operating outside the city at cut-rate prices. But by the time they arrived the police said, the operation had fled, leaving the truck behind with 20,000 pounds of meat inside.

Investigators said the truck was hijacked last Monday; a delivery run from St. Moines to Indianapolis.

China Plans Congresses, Reports Say

PEKING, July 10 (Reuters). China is planning to hold its first congress of the new supreme organs of authority, Communist party Congress and the National Peoples' Congress (NPC), to shape the future leadership of the nation, diplomatic sources here said today.

The two congresses will probably approve new constitutions for both party and state leaders, nominate a new head of state to replace disgraced Mao Zedong, and also possibly point at their apparent to venerable Mao Tse-tung.

According to the sources, party congress will convene August and the NPC will fall in November.

Of the two congresses, party congress is by far the more influential. The last party congress in 1969 approved a new party constitution and installed new Central Committee in wake of the upheavals of the Cultural Revolution.

The effective life of the constitution was short, because it was named as Mr. Mao's Defense Minister Lin Biao, a parently staged an abortive coup in September, 1971. He subsequently died in an air crash while trying to flee the country, according to the official Chinese version.

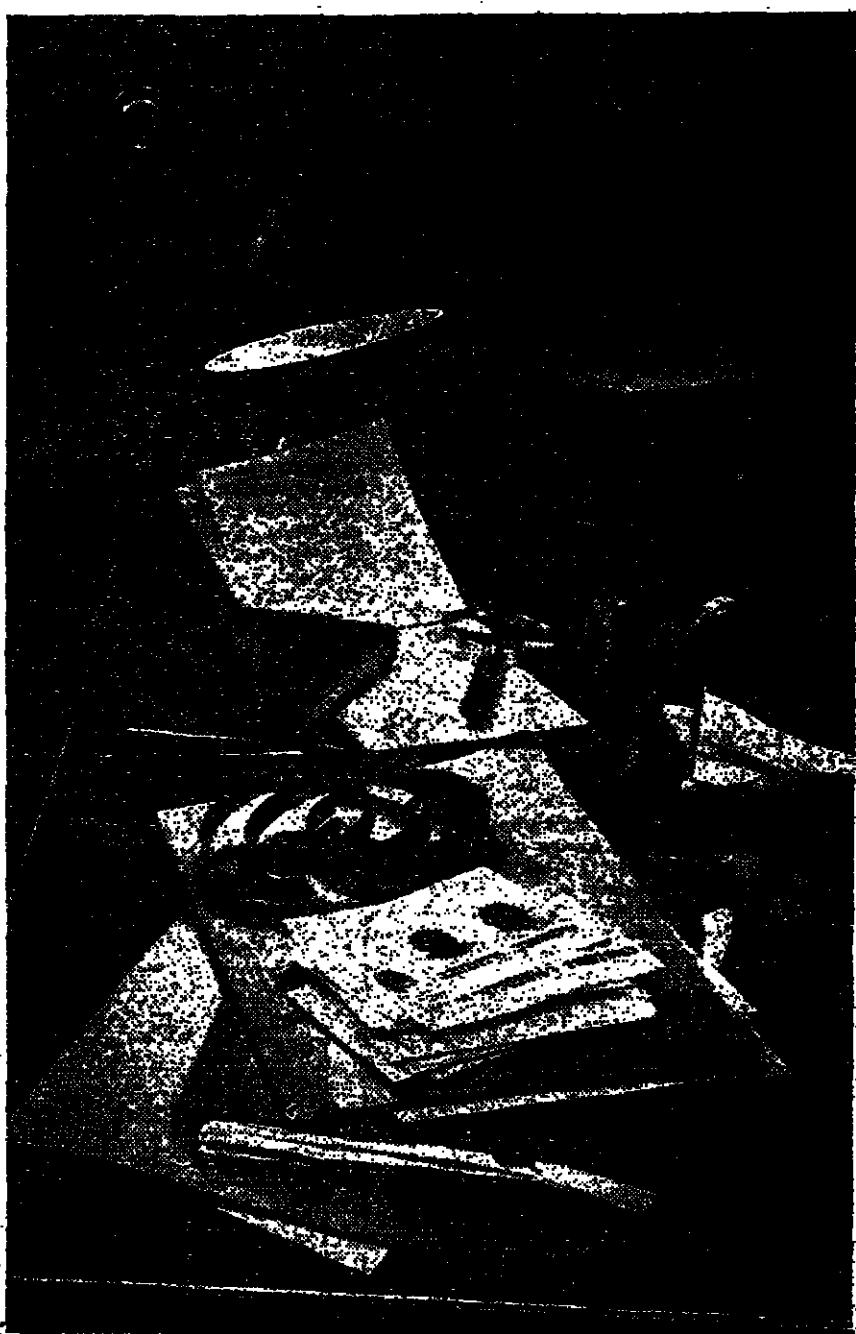
The NPC has not met in session since 1964. Although it largely a rubber-stamp body, does have the important function of endorsing senior appointments.

Cops and Robbers. By Canon.

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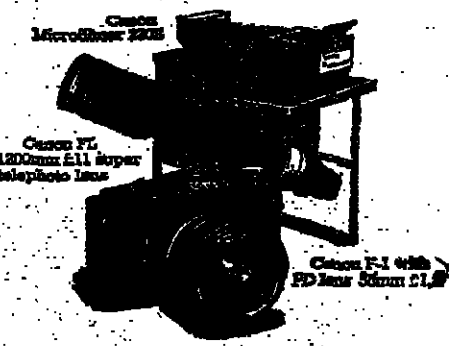
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Canon

General Arrives in Indochina

U.S. Studies Ways to Bolster Cambodia If Bombing Cut Off

By Murray Marder

WASHINGTON, July 10 (UPI).—The Nixon administration is exploring how the American-backed regime in Cambodia might be enabled to survive if U.S. bombing to support it is cut off on Aug. 15.

Defense Secretary James R. Schlesinger has sent Gen. Frederick C. Weyand to assess the situation in Cambodia and South Vietnam.

Gen. Weyand was the last commander of U.S. forces in South Vietnam, and before that he was a member of the American delegation to the Vietnam peace talks in Paris. Now U.S. Army commander for the Pacific, Gen. Weyand recently was nominated to become Army vice-chief of staff.

Secretary Schlesinger said on Friday that he did not have "undue optimism" about the Lon Nol regime's ability to remain in control if American air power is withdrawn.

The State Department solicited world attention yesterday for the Phnom Penh government's offer of last Friday to negotiate a cease-fire with pro-Communist forces in Cambodia. However, Prince Norodom Sihanouk, head of the Cambodian government-in-exile headquartered in Peking, repeatedly has spurned negotiations with the "Lon Nol clique."

'Constructive Step'

In remarks particularly intended for China, the Soviet Union and North Vietnam, a State Department spokesman said the Lon Nol government has taken "a constructive step in opening a serious dialogue which can lead to a peaceful, independent and neutral Cambodia."

Ship Convoy Arrives in Phnom Penh

PHNOM PENH, July 10 (AP).—Five oil tankers and an ammunition barge ran a gauntlet of insurgents' fire to reach Phnom Penh last night, leaving another tanker burning and abandoned 27 miles down the Mekong River.

The convoy sailed in under an umbrella of U.S. Phantom and Corsair jets, which strafed Khmer Rouge gun positions lining both banks of the waterway for some 15 perilous miles. Rebel gunners raked the convoy with 75-mm recoilless cannon, anti-aircraft rockets and small-arms fire.

The Mekong Trader was hit and set ablaze two miles above the Cambodian river base of Neak Luong. The vessel was beached on an island and its Filipino crew taken off by Cambodian Navy gunboats. One crewman was wounded.

Earlier reports that the convoy included 12 rice barges proved erroneous, port authorities explaining that the rice consignment now is expected at a later date.

Trucks Arrive

Meanwhile, a convoy of 136 trucks and 51 trailers carrying rice and fish arrived in Phnom Penh from Kompong Som. It was the first convoy to use Highway 4 since the route to the sea was reopened Sunday.

More than 100 government troops were reported missing today following the fall of an outpost at Chlisa, 30 miles north of Phnom Penh.

Heavy fighting was reported only three miles from the Angkor Wat ruins. A government communiqué claimed 15 Khmer Rouge were killed with the loss of one government soldier.

10 Killed in Helicopter Crash
SAIGON, July 10 (UPI).—All 10 persons aboard a South Vietnamese helicopter were killed in a crash last Thursday north of Saigon, the military command said today. Among those killed were two lieutenant colonels, the command said.

It brought to 33 the number of persons killed in helicopter crashes Thursday, Friday and Saturday, according to command figures.

The cause of the first two crashes was not immediately known but the weather was windy and rainy in both cases, command spokesmen said. In the third crash, which killed 13, the command blamed engine failure.

200 Feared Drowned In Dacca Boat Sinking

DACCA, July 10 (AP).—Some 200 passengers were feared drowned after a launch capsized about 80 miles off Dacca last night, police said today.

An officer at Kaukhali Ghat, near the scene of the disaster said the boat was apparently overloaded.

He reported about 105 of the 305 persons on the launch swam ashore. However, a launch company spokesman in Dacca claimed all the passengers were safe. Police later arrested two of the launch's crewmen.

4 Die in Leipzig Crash

BERLIN, July 10 (UPI).—An East German express train ran off the rails today when it traveled too fast through a station in Leipzig. The East German news service said four people, including the locomotive engineer, were killed and 27 injured, six seriously.

Almost unnoticed, but closely related, the Nixon administration is attempting to use the lure of postwar reconstruction aid for North Vietnam as an inducement for Hanoi to use its considerable leverage with the Cambodian insurgents to negotiate a cease-fire.

Maurice J. Williams, chief U.S. negotiator in the private American-North Vietnamese economic talks being held in Paris, returned to the French capital last night after consultations in Washington over the weekend.

Paris Pact Cited

Mr. Williams said through a spokesman that "the Paris negotiations continue to underline the importance of compliance with all articles of the Paris agreement."

Article 20 of the Jan. 27 accord calls for a halt in fighting and removal of all foreign forces from Cambodia and Laos. In a Jan. 13 communiqué intended to shore up the original accord, the United States and North Vietnam agreed that "within 15 days" they would complete "the first phase" of their negotiations on postwar U.S. aid to Cambodia. On July 3, the two sides agreed to extend "those first phase" negotiations.

There is no chance, administration officials agree, that Congress will vote any postwar aid for North Vietnam while fighting continues in Cambodia.

Weyand Arrives in Saigon

SAIGON, July 10 (Reuters).—Gen. Weyand arrived here today for a high-level review of the Vietnam cease-fire and the military situation in neighboring Cambodia.

Gen. Weyand was accompanied by a team of logistics experts who will make recommendations on the replacement of war materials in South Vietnam, allowed for under the Paris agreement. He is scheduled to meet President Nguyen Van Thieu tomorrow and fly to Cambodia on Friday.

Thieu Vows to Overhaul South Vietnam Bureaucracy

SAIGON, July 10 (UPI).—President Nguyen Van Thieu said in a nationwide television speech today that South Vietnam's bureaucracy will be decentralized in a reform reaching "from A to Z" within six months.

Mr. Thieu, in his second major speech outlining "postwar" reforms, said, "We may dare call this a revolution, because nobody has ever dared to touch this before."

He said the bureaucracy is "not well organized. Each time a new cabinet minister assumes office, he recruits his own men for the key positions, without applying any professional standards," he said. "This had demoralized the other civil servants."

"Many offices in the government do not have enough to do, but employees stay on, which damages the nation's finances," Mr. Thieu said.

He said that "from now to the



IN THE BAHAMAS—England's Prince Charles (right) sits calmly as Gov. and Lady John Paul free themselves from awning after it fell during the independence ceremonies.

New Nation Bahamas Pledges To Follow 'Democracy, Law'

NASSAU, Bahamas, July 10 (AP).—Speaking on the Bahamas' first day as an independent state, Prime Minister Lyndon O. Findling said today his nation will follow "the concepts of Christianity, democracy and the rule of law."

Some 10 hours after the 700-island archipelago became an independent country, Mr. Findling received from Britain's Prince Charles the constitutional instruments symbolizing freedom from three centuries of colonial rule. An estimated 6,000 Bahamians and representatives of 53 nations cheered and applauded as Mr. Findling met with Prince Charles, the son of Queen Elizabeth II and heir to the British crown.

"We are prepared to shoulder our responsibilities, and despite the ups and downs, we know that

we are going to make it," Mr. Findling said. Charles, dressed in a white military uniform, read the queen's brief message of congratulations "to my people of the Bahamas."

Mr. Findling, 43, a black, replied that the constitutional documents he had just received from Prince Charles were symbolic of a living organism "which, planted in the favorable social, economic and political climate of the Bahamas, will grow and develop as required by changing circumstances and consistent with the concepts of Christianity, democracy and the rule of law."

The U.S. Navy's Blue Angels jet fighter team gave an air show in the skies over Fort Charlotte after the ceremony. It was followed by a parade of civic, cultural, labor and fraternal organizations and reviewed by the prince, prime minister and outgoing British governor, Sir John Paul.

Sir John remains as interim governor until Sir Milo Butler sr., newly appointed by Mr. Findling and knighted by the queen, takes over his largely ceremonial duties on Aug. 1.

Prince Charles was to leave the Bahamas tomorrow morning aboard the Royal Navy frigate Minerva on which he serves as a gunnery officer.

China A-Fallout Unnoticed in U.S.

LAS VEGAS, July 10 (UPI).—Radiation received in the United States from the Chinese nuclear weapon test several weeks ago was too low to detect, the Atomic Energy Commission said.

The device had a yield of one to three megatons and the AEC since then has kept an eye on a high altitude air mass moving toward the United States from the test area.

The air mass has passed over the United States, and readings at monitoring stations were "within the range of natural background radiation—the ever present radiation produced from natural sources," the AEC said.

France, Soviet Union Sign 10-Year Trade, Economic Pact

MOSCOW, July 10 (Reuters).—France and the Soviet Union today signed a 10-year economic cooperation agreement.

The agreement, signed here by French Finance Minister Valéry Giscard d'Estaing and Soviet Foreign Trade Minister Nikolai Patolichev, is intended as a framework for economic and trade exchanges between the two countries over the next decade.

The signing was delayed for an hour by a two-hour meeting between Mr. Giscard d'Estaing and Soviet Premier Alexei Kosygin at which international monetary problems and Franco-Soviet economic cooperation were discussed.

Tass news agency reported that the agreement covered the construction of industrial complexes in both countries, and the

building in the U.S.S.R. of enterprises in which French equipment and licenses would be paid fully or partly from the sales of the products.

The joint manufacture of products, the development of industrial cooperation and the stepping up of bilateral trade were also envisaged, Tass said.

After the signing Mr. Giscard d'Estaing said he had offered to double French purchases from and credits to the Soviet Union in exchange for Soviet purchases of French industrial equipment worth between five and seven million francs.

He announced that a 260-million-franc agreement would be signed tomorrow for the construction of a cellulose plant in Siberia.

'Blackmail' Charges Made By a Greek Opposition Group

ATHENS, July 10 (AP).—An opposition group headed by former Greek Premier Panayotis Kanellopoulos accused the "dictatorial" Greek regime today of "unprecedented blackmail" to get its way in an upcoming referendum on the monarchy.

The group, the Parliamentary Committee for Restoration of Democratic Legality, also said the military-backed government is threatening and insulting the Greek people and the armed forces.

In a written statement, Mr. Kanellopoulos said the government and pro-government newspapers are frightening Greeks into accepting constitutional amendments abolishing the Greek monarchy and setting up a republic with Premier George Papadopoulos as president. The amendments will be submitted to a referendum July 29.

Warning of 'Chaos'

The pro-government daily Acropolis said Sunday that if the government plan were defeated, Mr. Papadopoulos would have to step down from power, martial law would be established throughout the country, tanks would reappear in the streets, and a "tougher dictatorship" would ensue.

George Georgalas, under secretary of the interior and former chief government spokesman, also said Sunday that "chaos and anarchy will follow" if the regime's plan is rejected and Mr.

Papadopoulos is not accepted as president.

Mr. Kanellopoulos and his committee, established after the abolition of the monarchy June 1, said: "The threat is an insult not only to the unarmed Greek people but also to the officers and men of the Greek armed forces."

Mr. Kanellopoulos said those making the threat presented the armed forces as "an alien force ready to invade the country in order to subjugate the Greek nation."

He said that despite "unprecedented blackmail" the armed forces "would never turn against the will of the majority of the Greek people."

North-South Korea Talks

SEOUL, July 10 (AP).—A 59-member South Korean Red Cross delegation entered North Korea today for the seventh talk on the question of separated families. The two-day conference in Pyongyang will be the first since South Korean President Chung Hee Park's announcement June 23 proposing admission of both South and North Korea separately to the United Nations.

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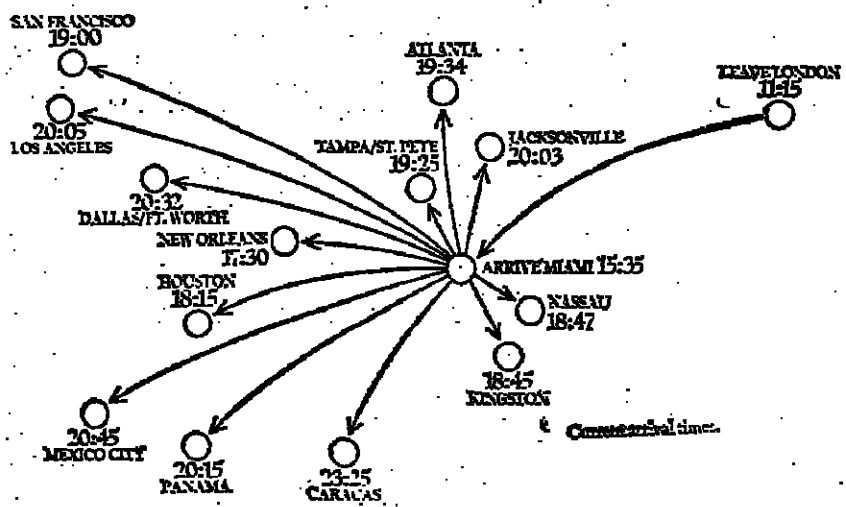
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Fog Over Indochina

The diplomatic fog that has settled periodically over Indochina during the past quarter-century is denser and more confusing than ever, despite a truce that has been affirmed and reaffirmed.

Over Cambodia, where American air intervention is moving toward the end decreed by Congress, the fog is particularly thick. There are, we have been told by Washington, delicate negotiations under way. But Prince Sihanouk and Premier Lon Nol, the principal personalities involved, deny any connection with the talks, although Lon Nol, at least, seems convinced that they are under way—and is unhappy because it is the big powers who are talking over his head.

This is not too surprising, since neither the prince nor the premier has any well-defined support, in Cambodia or abroad, although each has the public endorsement of one or the other of the powers concerned. Lon Nol's own military position is precarious, and whether the opposition in the field is coalesced around Sihanouk is more than doubtful.

In Vietnam, the diplomatic confusion is very great. Canada is withdrawing from the international truce supervision team because of multiple frustrations, and the United States has been unable to line up any successor for the task. The Viet Cong has engaged in a peculiarly complex and apparently quite irrational game with the Canadians over the two members of Canada's

delegation it has seized, and each side in the general quarrel in Vietnam produces its daily list of truce violations. In Laos, matters seem to have subsided into a stalemate. Can any of this be resolved? In the past, there have been similar times when even the dim outlines of an approach to a solution were imperceptible. What can be said is that, except in strife-torn Cambodia, actual fighting is at a low ebb, while open disagreements among the Soviet Union, China and the United States over Indochina have a curiously unreal air. The imminent extrication of the United States from military involvement may be the cause of this atmosphere in great power circles; the question is whether China considers itself the residuary legatee of the war, or whether other, broader considerations will make Peking contribute to the establishment of a reasonable, a compromise, peace in the area.

For the answer to this, the world must wait on events. There is still hope for some kind of agreement among the powers; very little of early or definitive agreements among the indigenous forces at odds in Indochina. This suggests that the civil wars there may well continue on a lower scale. But for peoples who have been fighting foreigners or one another for so long, even a decrease in the intensity of the killing, plus the realization that they are themselves responsible for it, could mark a step toward the return of reason, if not of peace itself.

A Visit by Chou En-lai

Future historians will surely puzzle over how it was that for 20 or 25 years in the middle of the 20th century, a globe-shrinking time when the means of travel and communication were being simplified as never before, the principal political leaders in the world attempted to conduct the high business of war and peace without having any regular personal contact with each other. That narrow consideration of pride, if that is what it was, should have so long overwhelmed considerations of sense and self-interest has got to be put down as one of the most salient, and sorriest, traits of the age. The high point, or the low point, surely was reached when John Foster Dulles and Chou En-lai found themselves unexpectedly together in the same room at Geneva in 1955, and Mr. Dulles refused to accept the Chinese prime minister's extended hand.

It is, then, especially appropriate on a number of counts that Mr. Chou may be coming to the United States, perhaps as soon as next fall. Such is the extent and growing regularity of summitry that this particular visit is one of the few important moves left to be made on the world political chessboard. Given the dynamics of "triangular diplomacy"—in which the United States carefully plays off one Communist capital against another, and the Communist states themselves carefully compete for American favor—it was only natural to expect Mr. Brezhnev to be followed to Washington by a Chinese of comparable stature. China's "isolation"—the word Americans long applied to the results of their own misguided effort to bar the Chinese from world society—has already been ended, most conspicuously by Mr. Nixon's own trip to Peking. (Some 2,000 other

Americans have visited China since 1971.) The "People's Republic of China," as American officials now can say without a trip of the tongue, has belonged to the United Nations for two years, and "liaison offices" now operate in Washington and Peking in the absence of formal diplomatic relations. Mr. Chou, it is said, may time his visit to the opening of the UN General Assembly in October. The mythical Mao Tse-tung, it might be added, has evidently made his last trip abroad.

Mr. Chou is much admired by virtually all Americans who have met him. Banker David Rockefeller is the latest to add his praise. This seems to be a result not only of Mr. Chou's own qualities but of his choice of American acquaintances, all of whom had been his guests and all of whom have had one or another reason of self-interest for portraying him as an estimable fellow. As the popular reaction to Mr. Brezhnev's limberness and clowning demonstrates, moreover, Americans, still unaccustomed to dealing with old adversaries in the flesh, are prone to view any Communist leader who acts like a normal politician as a noteworthy phenomenon. This is not to say we harbor any dark thoughts about Mr. Chou. Quite the contrary. But it is a fact that his personal reputation has flowered in the rosy pinch-me atmosphere which still surrounds American contacts with China, and it is a further fact that one learns something different about a man when he is on your turf, not his own. We look forward to a long and profitable relationship with the People's Republic; a visit by Mr. Chou to the United States is the logical next step.

THE WASHINGTON POST.

The Birth of the Bahamas

A new state has come into being just 50 miles off Florida: the Bahamas, a 700-island archipelago sweeping 750 miles to the Caribbean. Stirred by nationalism and racial pride, the large black majority of its 185,000 citizens wanted the status and self-respect of nationhood. The British were pleased to let their colony of two centuries go. The Bahamas becomes the region's fifth English-speaking state and will doubtless work closely with the other four.

Though a mini-state in terms of population, the Bahamas is a "maxi-state" if measured by its problems. Many blacks are offended that so many of the country's assets—resorts, casinos, banks, recently some oil refineries—are owned and run by whites. They worry of becoming a nation of black bellboys for white guests. "Bahamians-first" hiring pressures have aggravated differences in a country where 34,000 Americans live. To satisfy his people's impatience and at the same time to assure the confidence of essential investors is the main challenge facing Prime Minister Lynden O. Pindling, a Lon-

don-educated lawyer regarded as a moderate in the Bahamian political spectrum.

The United States cannot fail to be intensely interested in independent Bahamas. New terms must be negotiated with the Bahamas for a U.S. missile-tracking station and Navy test and research facilities. The interests of the resident Americans, not to say the 1.5 million American tourists a year, must be taken into account. Special problems may arise with the \$1 billion in American investments attracted in part by easy local legislation; Mr. Pindling, for instance, had to issue an independence-eve statement on political contributions he received from financier Robert Vesco. Bahamians need help in policing their distant deserted easternmost islands, used for narcotics smuggling and, sometimes, by Haitian or Cuban exiles.

Many Americans may think of the Bahamas simply as a lovely beach. In fact, it is a country with a full complement of cares. Americans surely wish their newest national neighbor well.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago

July 11, 1898

PARIS—Spain cannot hope to gain anything by prolonging the war. She cannot seriously injure her opponent, nor can she promote the interests of the Spanish people by doing so. The longer the struggle is protracted the harder will be the conditions for peace. It is said that she will wait until Santiago has fallen and Havana is actually lost before she surrenders. It is not a wise course, for peace terms would be better before complete defeat not afterwards.

Fifty Years Ago

July 11, 1923

LONDON—The thunderstorms which visited many parts of France yesterday, came as a sequel to severe electric storms in the British Isles. Here in the city, a storm of unparalleled intensity and duration broke out at midnight on Monday. For more than seven hours the thunder and lightning were of a terrifying character. Hundreds of people left their beds in complete terror and it was a common sight in many neighborhoods to see house lights on all night long.



No Longer Any B For Balanced

By C. L. Sulzberger

PARIS.—The Soviet Union's diplomatic offensive has now succeeded in altering a basic Western and, above all, U.S. precondition that has hitherto underlain the complex of East-West negotiations.

The world, as it edges hopefully to détente, has been focusing on the idea known in contemporary shorthand as MBFR or mutual and balanced force reductions. The idea is that just about everyone recognizes the sums invested in weaponry are insanely exaggerated, but that nobody should be disadvantaged as rival adversaries begin to pare their defenses.

Thus "force reductions" are acceptable by just about all nations so long as a formula can be devised which makes them truly "mutual." That is where the word "balanced" comes in with reference to the North Atlantic Treaty powers on the one hand and the Warsaw Pact powers on the other.

The mutual benefit to both sides of saving costs by reducing arms levels has never been questioned, but America's European allies want to insure the cuts are balanced. A stable shrinkage in U.S. forces stationed here means they must return across the Atlantic.

A similar shrinkage in Soviet forces means they simply have to pull behind the Soviet Union's frontier.

Zone of Tension

If three American divisions fly home, they are a lot further from the zone of potential tension than three Russian divisions motoring eastward. Furthermore, given the flabby U.S. dollar, executive and economy and the initially disappointing response as selective service is replaced by a volunteer military establishment, it isn't even probable that the units brought home would be maintained on more than a skeleton basis, even if theoretically earmarked for NATO.

Therefore, our North Atlantic allies have been preoccupied by the "B" in MBFR. They interpret this as meaning, because of the greater distance traveled and the difficulties of potential return, that any mutual force reduction requires that more Soviet than U.S. forces be withdrawn from Europe if a true "balance" is maintained.

On this point France, no longer in NATO but still a signatory to the North Atlantic Treaty, has been as reluctant as any ally to see a diminishment that is not "balanced," as well as "mutual." Most of our part-

ners accept this point even though the Netherlands swings away and seems about to terminate its air force.

Yet, as I wrote from Brussels in early June, the new U.S. defense secretary, James Schlesinger, gave an ugly hint to the alliance that America was re-evaluating the situation and reckoned there were 35 fewer Soviet and Warsaw Pact divisions in East Europe than NATO's own intelligence staff officially estimated.

Allied diplomats promptly suspected Washington was getting ready to respond to political pressures and reduce its forces by suddenly insisting the alliance is relatively stronger than previously suspected. Washington pretended North Atlantic troops (including whatever we leave here) could hold out two or three months against any conventional attack; NATO's own experts claimed the period would be only two or three weeks.

On June 25, a communiqué summed up the results of Brezhnev's visit to President Nixon. This omitted the "B" from MBFR by talking of "negotiations on the mutual reduction of forces and armaments and associated measures in Central Europe" scheduled to start in October. The word "balanced" was glaringly absent—as it had

already been from the bulletin terminating Brezhnev's trip to Bonn.

The implications of Schlesinger's speech now seem confirmed, at least by innuendo. One can only deduce that everyone is resolved to continue along the road to mutual force reductions, but that there is no longer even any dream that they will be anything but imbalanced.

Brezhnev's Triumph

Obviously this was a great triumph for Brezhnev, even though it was considerably less stressed than the fact he was about to obtain masses of American technology and materials in exchange for funds that will to no little degree be made available in loans and credits.

Nobody can blame the politico chief for doing exactly what he did. He had been trying to avoid commitment to "balanced" reduction from the start. That is what he is paid for by the Soviet taxpayer.

But the upshot is that it makes it easier for everyone to understand why the Chinese—who have some one million Russian troops now stretched along their lengthy common border—went ahead and surface-tested one more thermonuclear device just two days after the Brezhnev-Nixon communiqué was published.

Camelot in Decatur

By William F. Buckley Jr.

NEW YORK.—They are discovering true political dissimilarity in Sen. Kennedy's kissing conference with Gov. Wallace, to use the term Sen. Joe McCarthy used to use, "they" being Democrats whose resistance to unhygienic political associations shows short of uh, privation.

It is true that the civil rights revolution of the 1960s got in the way of the cozy compact between Franklin D. Roosevelt and Southern D.D. white Democrats, according to the terms of which FDR was permitted to give one speech a year on the subject of interracial toleration on the understanding that Southern segregationists could govern, with the obligation only of providing the electoral count on presidential years for FDR. Presumably if FDR had not died he would be preparing to run in 1976 for his eleventh term, and his old Southern friends would have the situation totally under control.

Sen. Kennedy has now identified himself as a postulant for the support of the gentleman who stood on the schoolhouse steps vowing that no Negro would attend the University of Alabama. Those who devote themselves assiduously to looking after Sen. Kennedy's reputation make ample references to the tragic physical condition of Gov. Wallace, to which Sen. Kennedy's speech pointedly alluded. Presumably if Gov. Wallace had sat, rather than stood, on the schoolhouse steps, he'd have been supported as a matter of personal sympathy by Sen. Kennedy.

Mr. Kennedy identified himself as a fellow warrior with Wallace against those "who used the people's power to strike at the right of the people." Now will you guess to what the senator was alluding? It is never easy when they use rolling semimas in the high political tradition of saying nothing but making it sound orotund.

But in an age when people's rights were systematically denied, and in the presence of a leader in the movement to deny those rights, Sen. Kennedy was referring to the most radical step toward dismantling the spirit of our Revolution and the protection of the Constitution.

George Wallace got all those followers out there for taking the position—historically plausible, by the way—that most of the people who have been undermining the Constitution have been sitting in the Supreme Court, and that they were put there and egged on by the pointy-heads who got along so well over the years with the Kennedy brothers.

Really, one wonders whether George Wallace can survive his association with Sen. Kennedy. Perhaps he has indeed given up, was alluding? It is never easy when they use rolling semimas in the high political tradition of saying nothing but making it sound orotund.

These things Sen. Kennedy most dutifully did, in Decatur, Ala., at a festival at which they displayed Southern feminine pulchritude, staged wrestling contests, and fought to take the greased pig. There ought to be a stand at every county fair in which politicians tell lies about other politicians. Or maybe you should try to catch the politician, instead of the pig? You wouldn't need to grease them. They are slippery enough as it is.

Notion Disavowed
I wrote a year or two ago that American liberals will one day discover that Southerners are also people, though it could not be predicted what that discovery would do to them. Sen. Kennedy has discovered that George Wallace is a person, though it is by no means predictable whether he would have discovered it if a) Wallace had lost rather than won those primaries last year; and b) if Kennedy had elected not to run for President in 1976.

Discovering that Southerners are people requires one to comment on the fact of racial discrimination in other parts of the country, not merely in the South. And requires one to disavow the notion that everyone

Louis McRedmond

From Dublin:

Anything can happen when Middle America comes to town.

DUBLIN.—The renaissance is alive and well, and flourishes in Kansas City. Not, of course, the great Renaissance—no Leonardo, no Michelangelo—but the early phase of the questing spirit of classics newly opened and discoveries eagerly shared. For countries which long ago put their own renaissance behind them, the impact unnerves. In other words, Middle America has come to Dublin.

I know now how the Chinese felt when Marco Polo dropped by and why the people of Japan took fright when Portuguese galleons lowered anchor in Osaka Bay. The strangers are friendly and grateful to a fault. But they exude the terrible menace of innocent enthusiasm.

I speak as a man subjected at 11 to the thought of a bright-eyed, chain-smoking, middle-aged lady from somewhere west of the Appalachians. What concerned her was Kierkegaard's influence on the Joycean subconscious. God between us and all harm, as they say in my native village, but what had I done to deserve that? All I had said, drily, was "good morning."

Crack of Dawn

The lady, to be fair, was in Dublin for the fourth annual jamboree of the International James Joyce Symposium. I was mere passing traffic, hired to visit the going-on because a panel of local scholars had been invited to perform at what for most of them was the crack of dawn. A sadist at heart, I wanted to see them cope. I must admit that they rose well to the challenge, were less than half-an-hour late, and expounded on our exotic expatriate with that mixture of fundamental respect and cynical realism that stamps Irish learning at its best.

But the scholars, you may be sure, confided to the hearty audience of an early start only because of our fatal inability to say "no" and because the minister for posts and telegraphs, who captained the Irish team (that is the kind of government we have), had affairs of state awaiting his attention.

The effort of will involved for the home players would have done credit to a team of Indian fakirs, but few of the Americans present can have suspected it. In Ireland we start to take our morning tea, and the scholar's shadow lengthen and reach our peak when the offensive and inconsiderate lark (over whom it took an English poet to entreat) begins to stir.

Not for us the American puritanism which forgets that God made night as well as day, something Joyce never forgot; nor the Latin siesta either, since the prolonged process of our waking up could hardly be indulged in economically twice in 24 hours.

It all goes back, I have heard it argued to our peasant origins. In Ireland the dew lingers heavy on the grass. The farmer cannot begin his day as early as he would in Kansas. Our reputation for laziness should rather be a reputation for logic. We under-

take our activities, mental and mental, at the time that climate dictates. (Yes, I know you may have a more convincing explanation, but I am being paid for mine.)

Turgid Topics

At root it is simply a matter of *cultures pays, autres mœurs*. Sadly, the Renaissance mind in pursuit of enlightenment too often neglects to ask first about indigenous habits. Kierkegaard has no place on the Irish breakfast menu. Nor, I might add, should we be interrupted as midnight approaches, when we become informally and expansively communicative, by turgid disquisitions on bacteriological research. This also I suffered a few weeks ago in American company.

A group of media people had come to town. They proved to be delightful dinner guests at a party thrown in their honor. But their Irish conferees found it distinctly disconcerting to be gathered together immediately afterwards, brandy glasses still in hand, for a lecture by an eminent (and local) meteorologist entitled "Reflections on the Famine in Ireland Resulting From an Epidemiological Survey of the Years 1845-7." We heard about rainfall and fungi, Victorian ignorance of fertilizers and the incidence of potato blight in China—of all places. An excellent lecture of its kind, but the curiously inappropriate order of events—it had been a very good dinner—went unexplained. "Fak-ka," muttered my neighbor, "thou shouldst be living at this hour!" We could only surmise that our visitors had asked to be told about the "Great Hunger" of the 1840s (rightly believing it to be necessary to an understanding of modern Ireland), and that this was the sole available time which could be devoted to the subject in a tight schedule.

I thought, unhelpfully, of two maxims for American tourists: one, the old Irish saying, "When God made time, he made plenty of it"; the other, Tallyrand's advice to a young diplomat, "Surtout, pas de sile." I write neither in anger nor in sorrow, but out of affection. The Irish like the Americans, with whom they have so many close ties of kinship. They rarely indulge in the rank-bashing you meet in some continental countries—countries which owe their postwar recovery to the very dollar so many of them seem now to be determined to undermine. It hurts, therefore, to see Americans feed the foreigners' antipathy (or jealousy?) by their tendency to overwhelm. They do it when they try to squeeze the last half-second of experience out of a European vacation. They do it, too, when they voice their ignorance: an ignorance no greater than that of most other people (including the Irish) when abroad, but unhappily less disguised.

Like the earnest Middle Westerner who told that symposium how he figured Joyce must have influenced the speech of a guest of honor of Irishmen. Or the visitor on television who praised the Irish for their communism, offering in evidence the fact that a Protestant sculptor had been commissioned to do some carvings for a Catholic church. It sounded as if the latter gentleman expected to find our Protestants in concentration camps, and it was good to have him disabused of his fears.

Teeth on Edge
The trouble is, that it sets people's teeth on edge to be told by a stranger the significance of their history, their culture and their social norms. To see ourselves as others see us is a worthy maxim. For the tourist to take it upon himself to enlighten the native is less wise.

But we all have our aberrations. Now that I think of it, the Irish sing a lovely old song (at night) called "The Last in the Clear Air." And the Chinese, who receded under the impact of the Renaissance, are less than perfect. Cardinal Tien, the first Chinese Prince of the Church, was once brought to Kil-larney during an unscheduled stopover at Shannon Airport. Squinting at the lakes and the mountains, he allowed that they were beautiful. "So your audience finds Ireland a beautiful country?" prompted a newsmag from the local paper. "Ireland?" said the cardinal. "I don't know about Ireland. I have never been to Ireland."

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الكتاب الأول

British Premier Is 57

Heath Relaxes in His Garden As Pressure Rises on Tories

By Alvin Shuster

LONDON, July 10 (UPI).—The weather has been unusually warm here in recent days and Prime Minister Edward Heath has been inspired to take off his tie and sit down in the garden at 10 Downing Street to greet visitors and read documents under the low-hanging branches that had shaded his predecessors. The political climate, however, is another story.

For Mr. Heath, who celebrated his 57th birthday yesterday, is having many unhappy returns of the day: after weeks of relative calm, his government is under increasing pressure from housewives, unions and politicians, including some in Mr. Heath's own Conservative party. It stems from a "prices crisis" that threatens not only his anti-inflation

program but also his political future. With its economic strategy of legal restraints on wages and prices—a major reversal in traditional Tory philosophy—the government had hoped to muffle the screams it is now hearing. The public in general seemed willing to give it all a chance out of weariness with inflation.

Unions Restive

Sensing this public mood and Mr. Heath's determination, the unions adopted a policy of reluctant acquiescence and generally went along with the program to limit wage increases to an average of 7 to 8 percent. But they are getting restive again, a mood fed by the rising cost of fresh food and other commodities left uncontrolled under the present program.

Food prices alone have jumped about 16 percent in the last year and nearly 40 percent since the 1970 general election. The trend is continuing because Britain imports about half of her food needs and prices are up on world markets.

That is the official explanation, which is often coupled with soothing words about how the economy is booming with a growth rate of 5 percent and how the British are enjoying a higher standard of living than ever before. Officials also argue that the increases in prices have been more than offset by pay raises in wages over the year.

Whatever the facts, such words seem to be making little impact on housewives who are paying some 16 cents a pound more for bacon and 25 cents more for a dozen eggs than they did just four months ago. And, as expected, the words are making even less impact on the out politicians who want in and who are intensifying their oral assaults in Parliament.

Blame It on EEC

There is a general tendency among many to blame it all on Britain's entry into the European Economic Community just six months ago. If one word could sum up the public mood it would be "disappointment," despite repeated government assurances that the benefits will come in time.

The latest public opinion polls, published last week, show a substantial increase in hostility to the nine-nation Common Market. The number of voters who believe that Britain should pull out has doubled to 30 percent since January.

Accordingly, Mr. Heath is being pressed to do "something more" as a gesture to cool the political atmosphere. In a series of meetings, including one today, ministers have discussed a range of options such as an immediate rise in welfare benefits to help poorer families.

The present monetary crisis complicates Mr. Heath's problems and puts his strategy in additional peril. For the pound is falling with the dollar against other currencies, thus reducing its purchasing power even further for

New Lebanon Cabinet Holds First Meeting

BEIRUT, July 10 (UPI).—Lebanon's new government held its first cabinet meeting today with President Suleiman Franjeh presiding.

Premier Takiyeddin Solh, 64, announced the 22-man cabinet Sunday night. He told reporters his government would give priority to normalizing relations with Syria, which closed its frontiers with Lebanon on May 8, mainly to protest Lebanon's attempt to curb the activities of Palestinian guerrillas.



Prime Minister Edward M. Heath

imports and feeding the country's inflation.

Any failure to make moves such as increasing welfare benefits enhances the prospect that union militants might try to force a major breach in barriers against inflationary pay increases. The present guidelines—which limit wage increases to about \$2.55 a week plus 4 percent for most industrial workers—expire in the autumn and chances for even reluctant union support for the next phase appear dimmer by the day.

In the face of all this, no one is expecting Mr. Heath to climb in panic into those backyard branches. His strategy is to remain calm. He is taking the view

that hasty actions could prove dangerous, that the pound should rise again soon and that prices should be leveling off in coming months.

The ultimate political effects, of course, will not be known until the next general election. It now looks as if Mr. Heath will go to the country late next year or in the spring of 1975, the year his term expires.

The crucial matter is how people will feel then, rather than how they feel now. And the ability of Mr. Heath to handle the country's growing problems in the months ahead will be decisive in any predictions as to whether he will be able to enjoy that garden for five more years.

Ulster Machine Gunners Slay Protestant, Wound Catholic

BELFAST, July 10 (UPI).—Gunmen killed a Protestant and seriously wounded a Roman Catholic at a pub in the County Armagh town of Belleek early today, police said.

The death raised the fatality toll in four years of violence in Northern Ireland to 844.

Gunmen cruising in a car opened up with machine guns on Isaac Scott, 41, a Protestant, as he and a woman left the pub in Belleek, 40 miles southwest of Belfast, and got into Mr. Scott's car, police said.

Mr. Scott died instantly with several bullets in the head and shoulders and the woman was slashed on the face by flying glass from the car's windows, police said. Several shots hit a Catholic man, who also was leaving the pub and seriously wounded him.

'In the Wrong Place'

"It appears they were out to kill Scott; and the Catholic just happened to be standing in the wrong place," a police spokesman said.

In another incident, a letter-bomb exploded in the hands of a member of the Northern Ireland police authority as he opened it today at his home in the

village of Kesh near Enniskillen, police said. The policeman, Francis Gage, was hospitalized with hand injuries and his 17-year-old daughter was treated for shock.

It was one of five letter-bombs arriving in the mails in the Enniskillen area today. The others, there to men of the Ulster Defense Regiment and a fourth to a unionist party leader, either failed to explode when opened or aroused suspicion and were turned over to security officials.

Libya Would Impose Oil Curbs In Case of War

TRIPOLI, Libya, July 10 (AP).—The Libyan government issued a decree today assuming the right to restrict oil exports and impose controls on foreign oil companies in time of war.

The decree was made public by Libya's national news agency, the Arab Revolutionary News Service. The agency said the decree had no immediate effect and would not have any effect except in time of actual hostilities.

The agency did not elaborate, but apparently the decree was designed to give the government control over its huge oil resources and their use in the event of new hostilities between Israel and the Arab nations.

The nature of controls that might be placed on foreign oil companies was not made clear. However, after the Israeli-Arab war of 1967, Libya stopped all oil exports for a period of 30 days.

IL NE FAUT PAS GRAND CHOSE POUR FAIRE D'UN HOMME UN MONSIEUR.



MONSIEUR WORTH. PARIS

Closure Threat Is Called Off at U.K. Newspapers

LONDON, July 10 (UPI).—The Newspaper Publishers Association today withdrew a threat to suspend publication of all nationally circulated British newspapers tomorrow in a pay dispute with unions.

If the association had gone through with the threat it would have meant Britain's first full-scale press shutdown since a nationwide newspaper strike of nearly a week during the June, 1970, general election campaign.

The association said it has withdrawn the threat following intervention by Vic Feather, general secretary of the Trades Union Congress.

However, it said if normal production of all newspapers is not resumed tonight it will reserve its position on what action to take later.

The shutdown threat followed increasing disruption in production of nationally circulated newspapers during the past week. More than 1.5 million copies of newspapers were lost last night as a result of printing unions calling meetings during normal working hours.

Russian General Sees NATO Chief Slowing Détente

MOSCOW, July 10 (Reuters).—A high-ranking Soviet Army officer charged today that remarks made by the American NATO commander in Europe about increases in Soviet armed strength were aimed at slowing the détente and "complicating talks on reductions in armed forces and armaments in Central Europe."

Col. Gen. Nikolai Ogarkov, first deputy head of the Soviet high command, told the Defense Ministry's daily newspaper, Red Star, that comments in a West Germany newspaper made by Gen. Andrew J. Goodpastor, the supreme allied commander in Europe, "did not correspond to reality."

Red Star said Gen. Goodpastor had spoken of "a constant growth of the Soviet Union's military strength."

Gen. Ogarkov said the Soviet Union was spending exactly as much as was needed for defense — "I emphasize, precisely for the defense of our country."

He added that the annual defense budget had remained at 17.9 billion rubles since 1970 and this year was only 9.8 percent of the total Soviet budget, as against 11.7 percent in 1970. He claimed NATO's military expenditure had grown over the same period.

Stuck for a week-end in Frankfurt? Everybody should be so lucky.

We wouldn't worry about having to spend a week-end in Frankfurt if business demanded it. First of all, there are theatres to take business off your mind. And other entertainment. Then there's Heidelberg just around the corner, as are a number of Europe's most picturesque towns, each with its own attractions. From mediaeval castles and churches to more contemporary establishments. And, if it should happen to you in the Fall, you'll be in time for wine-tasting festivities in 93 towns and villages. These you will definitely enjoy. But don't say we didn't warn you.

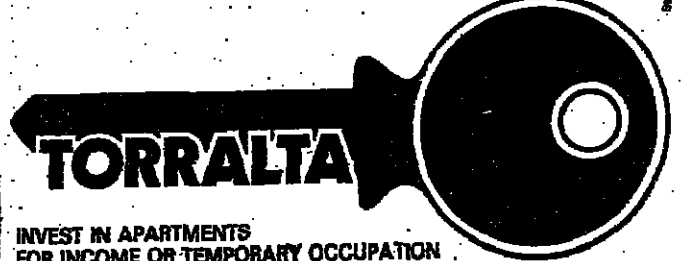
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FINANCIAL NEWS AND NOTES**U.S. Asks Moderation
In Prime Rate Rises**

By H. Erich Heinemann

NEW YORK, July 10 (NYT).—The Nixon administration, which has been standing on the sidelines for the past two-and-one-half months or so as the prime lending rate of the nation's banks has rushed upward, intervened yesterday to ask the banks to slow things down just a bit.

The incident started yesterday morning when Union Commerce Bank in Cleveland—which last Friday joined other major banks to raise its minimum charge on large business loans to 8 1/4 percent from 8 percent—announced that it was raising its prime rate once again, to 8 1/2 percent, effective immediately.

The prime rate was last at 8 1/2 percent during the credit "crunch" of 1969-1970. "This drew a phone call from the administration's Committee on Interest and Dividends," said Arthur F. Burns, who is also chairman of the Federal Reserve Board—adding the bank to hold the line at 8 1/4 percent for just a bit longer.

In response, Union Commerce backed down to 8 1/4 percent. First National Bank of Memphis likewise announced an increase in its prime rate to 8 1/2 percent. It too was reached by the Washington officials, and today it also backed down.

Bankers emphasized that the committee's intervention was not likely to cause more than a brief delay in the upward movement of the prime rate, which is now expected to move to 8 1/2 percent next week and will probably go higher than that in the weeks ahead.

The key interest rate on 90- to 119-day commercial paper—which some banks use as a basis for determining their prime rates—moved up to 9 1/8 percent at some dealers yesterday. It was noted, and there were predictions that this rate would become general within a short period of time.

First National City Bank, the largest bank in New York and the second largest in the nation, is currently setting its prime rate at the same level as the average for 90-day commercial paper over the previous three weeks, rounded off to the nearest quarter of a percentage point.

Assuming that the market rate on these unsecured corporate notes stays at 9 percent or more over the next three weeks, this would imply that the prime rate would also move up to that level.

First National Bank of Chicago, which has a floating prime-rate formula that calls for the prime to be set at 108 percent of the 90-day commercial paper rate, said yesterday that it would post a prime rate of 8 1/4 percent for this week.

But according to Chauncey E. Schmidt, vice chairman of the bank, the bank's rate formula shows that the prime should now be between 8 3/4 percent and 9 percent. "Although a half-percentage increase in our corporate base rate (prime rate) would be

imposed in light of the U.S. decision last week to place 41 commodities under export restrictions. However, exporters with contracts signed before June 29, the date the first series of controls went into effect, will be able to apply for an export license to meet their commitments," the minister said.

Notice for the submission of tenders for the construction of the Jbel-Tripoli Highway in Lebanon

The "Conseil Executif des Grands Projets" will accept tenders for the execution of construction of a 44-kilometer highway between Jbel and Tripoli.

The construction of this Highway will be entrusted either to one firm, or to three separate firms. In the latter case the sections will be as follows: Jbel-Batroun "14.5 Km."; Batroun-Chekkia "15.5 Km."; Chekkia-Tripoli "14 Km."

The present notice concerns the prequalifications of the firms which may submit tenders. All interested firms may obtain the corresponding prequalification files by addressing themselves to the "Etudes de Conseil Executif des Grands Projets" at Bir Hassan, Immeuble Garimarian as of Monday, May 28, 1973, against payment of one hundred (100) Lebanese Pounds for each prequalification file.

All references and documents of the candidates should reach the Management Committee of the "Conseil Executif des Grands Projets" at the latest at noon on Wednesday, August 1st, 1973.

Firms selected or rejected will be notified directly by the "Conseil Executif des Grands Projets" before Thursday, September 27, 1973.

THE PRESIDENT
CONSEIL EXECUTIF DES GRANDS PROJETS
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**U.S. Urged
To Sell Gold
For \$1 Billion**

WASHINGTON, July 10

(Reuters).—Former under secretary of the Treasury Charles Walker today urged that the United States, either unilaterally or in conjunction with its trading partners, sell \$1 billion worth of gold.

Mr. Walker, now a private consultant, told a House banking subcommittee that the dollar is undervalued and gold overvalued and he could not think of a better trade than selling gold for dollars.

He said that if other countries did not want to join in, then he would advocate that the United States sell \$1 billion in gold "in the very near future."

Mr. Walker said the recent official devaluations of the dollar were beginning to take hold and there would be a major improvement in the U.S. balance of payments situation once Europeans and others realized the United States was getting over its "crisis of confidence"—an obvious reference to the Watergate scandal.

Company Reports

Whitcomb
Second Quarter 1973 1972
Revenue (millions) 465.1 385.1
Profits (millions) 23.5 18.9
Per Share 0.65 0.63
First Half
Revenue (millions) 838.0 690.0
Profits (millions) 41.7 32.1
Per Share 1.16 0.90

St. Regis
Second Quarter 1973 1972
Revenue (millions) 294.3 250.7
Profits (millions) 17.0 10.9
Per Share 1.20 0.71
First Half
Revenue (millions) 551.3 498.6
Profits (millions) 28.4 16.4
Per Share 2.01 1.20

Kroger
Second Quarter 1973 1972
Revenue (millions) 877.4 836.1
Profits (millions) 5.54 5.48
Per Share 0.41 0.41
First Half
Revenue (millions) 1,885.5 1,871.8
Profits (millions) 9.15 19.4
Per Share 0.68 1.44

**Rally in Dollar's Price
Gives Boost to Wall St.**

By Terry Robards

NEW YORK, July 10 (NYT).—The stock market posted its broadest advance in six weeks today in response to renewed strength shown by the dollar overseas and to indications here that the Nixon administration is rapidly moving toward Phase-4 of its economic program.

In a burst of strength that was reminiscent of summer rallies in past years, the Dow Jones Industrial average climbed 11.06 and closed at 888.32. A total of 1,126 stocks gained, the most since May 25, when 1,141 moved up.

Volume on the New York Stock Exchange rose to 15.09 million shares from yesterday's 11.56 million. The increase in turnover lent an air of authority to the upsurge in prices and kindled hopes of further gains in the days to come.

The dollar's strength in European trading apparently stemmed from speculation on government intervention to prevent further declines. However, there still was no confirmation of any official action to support the dollar.

Meanwhile, from Washington came word that the administration is considering its alternatives under the forthcoming Phase-4 and that the government is studying the possibility of partly lifting the current price freeze within a matter of days.

Glamour stocks benefited from strong buying and racked up sharp gains for the second consecutive day.

American Cyanamid, among the day's most active stocks, climbed 5/8 to 22 1/8. It said it expects second-quarter operating earnings of 75 cents a share against a restated 57 cents a year ago.

Recently depressed General Mills jumped 3/4 to 50 7/8, while IBM jumped 1 1/2 to 314. IBM introduced new memories for the system 370 which it said will "significantly increase" capacity.

On the upbeat were Eastman Kodak 3 5/8 to 134 7/8, Howard Johnson 2 1/4 to 21 1/4, Honeywell 3 1/2 to 108, Control Data 2 3/8 to 33 3/4, Black & Decker 1 1/4 to 111, Texas Instruments 2 1/2 to 87 7/8, Du Pont 2 to 167, Union Carbide 1 5/8 to 35 1/2, Schlumberger 4 1/2 to 102 3/4, Procter & Gamble 2 3/8 to 103 1/4, Maytag 1 to 28 3/4, Gannett 2 1/8 to 32 1/4, and First National City 2 to 42.

United Aircraft is the largest U.S. manufacturer of aircraft engines and spare parts and is in other aerospace and military fields with sales about evenly divided between commercial and government business.

Signal Companies, based in California, operates internationally in the transportation, petroleum, natural-gas and aerospace industries through Signal Oil & Gas, Garrett Corp. and Mack Trucks. Last year, the company earned \$40.4 million on sales of \$1.46 billion.

Gas 'Shortage' Closes Italian Stations

About 20 percent of Italy's 39,000 gasoline stations were shut daily in the past four weeks because of gasoline shortage, the National Association of Station Keepers says. "The situation is especially serious in the northern metropolitan areas and on the highways," an association spokesman adds. He called for urgent measures by the government to have oil companies resume normal supplies. The companies have blamed the shortage on insufficient supply of crude oil. But station keepers claim the companies are keeping gasoline in their stores to await a possible price increase.

Lloyds Signs First-Western Pact

Lloyds Bank Ltd. of London has signed a definitive agreement to acquire World Airways Inc.'s 99.5 percent holding of the outstanding stock of First Western Bank & Trust Co. of San Francisco for \$115 million, the companies say. The transaction is subject to approval by various U.S. regulatory authorities.

\$600-Million Ekofisk Financing

A \$600-million loan package to finance the construction of the oil pipeline from the Ekofisk field in the North Sea to Teesside, England, and a gas pipeline to Emden, West Germany, has been fully subscribed. First National City Bank and St. Générale de Banque, lead managers, report. Of the \$600 million, \$370 million goes to Norpipe A/S, a Norwegian company equally owned by the Norwegian state oil company and the Phillips group. Norpipe will construct, own and operate

the oil and gas pipelines and handle storage at Teesside. A further \$130 million goes to Norpipe Petroleum U.K. Ltd., a company now in formation but having the same ultimate shareholders as Norpipe A/S. The new company will construct, own and operate near Teesside a variety of facilities. Norpipe Pipeline Ltd., a British company owned by Phillips, will receive \$100 million. It will construct, own and operate facilities for processing natural gas liquids.

Toyota, Chinook Sign Accord

Toyota Motor Sales U.S.A. and Chinook Mobilize Inc. have signed a multi-million-dollar agreement for the manufacture and marketing of recreational vehicles in the United States. Under the agreement, Chinook International Inc. will produce a compact motorhome using a specially designed Toyota cab and chassis. The new unit will be sold exclusively by Toyota dealers. The agreement calls for the production of a minimum of 4,000 motor homes the first year to be built at Chinook's plant in Lawrence, California. Plans call for a gradual build-up in production to more than 800 units a month by December of this year.

Nissan Output Hits Record

Nissan Motor Co. says its output in June totaled 151,500 units, surpassing the record 138,000 units in March. The June figure brought the cumulative total in the first half of this year to 1,000,600 units, up 8 percent from the corresponding period of last year. The company also exported 59,100 units in June, a 47 percent increase from June, 1972, but a decline of 17 percent from May.

Aim to Instill Order and Confidence**New Unit Proposed for Eurobond Market**

PARIS, July 10 (NYT).—A new Eurobond unit blending the nine Common Market currencies is being prepared in an effort to instill greater order and confidence in the market.

Officially dubbed the European composite unit, it is the collective brainchild of a number of private bankers and will be called the Euro.

The Euro is aimed at filling the void left in the international capital market by the disappearance of the dollar as a favored investment vehicle and by the absence of a readily available alternative acceptable to both investors and corporate or institutional borrowers.

The currency brew is designed to minimize the risk of a hangover for either borrower or investor from sudden, sharp changes in exchange rates. It also minimizes the intoxication of windfall profits for both. Rather, it is aimed at providing maximum protection at a time when fear and uncertainty about the value of money is widespread.

Heavily Weighted

Nevertheless, the Euro, heavily weighted in deutsche marks and French francs, will give investors ample coverage in the so-called "strong" EEC currencies—the ones most likely to rise in value in markets now characterized by volatile floating exchange rates.

The percentages of the nine monies in the new unit, explains Rodney Leach, a director of N.M. Rothschild & Sons and one of the leading proponents of the Euro, "follow each nation's gross national product and broadly reflect the economic significance of each country."

The ratios are "realistic," he adds. "There are two principal currencies floating outside the joint EEC float—sterling and the lira—which ought to have a lesser weight because they represent a bigger risk to the stability of the new unit."

The value of the Euro, based on the daily cross rates of each of the nine currencies against one another, is to be calculated by the Luxembourg Stock Exchange.

The appeal of the Euro is that any change in value of the component currencies is reflected immediately although the impact is blunted by the balance of the structure.

There have been two previous attempts at contriving a composite unit for international financing operations but neither has won significant approval.

The Unit of Account, the more successful of the two, is considered to be too complicated to win wide appeal. In addition, it aims at maximizing stability (all nine EEC currency components have to change, in which case the UA moves in the direction of the majority and follows the currency whose value has changed the least).

Under present conditions, this formula protects the borrower but leaves many investors feeling as if they are missing their fair share of the market's performance.

The other attempt, the European currency unit or Ecu, died a year ago as its multiple currency clause (whereby investors

**Corn and Soybean Acreage
Rises This Year, U.S. Says**

WASHINGTON, July 10 (AP-DJ).—In its first report on 1973 corn and soybean acreage, the Agriculture Department said today farmers have planted 62.5 million acres of corn for harvest, 9 percent more than last year, and 55.7 million acres in soybeans, 22 percent above 1972.

Based on average yields per acre and the expectation that farmers will harvest their intended acreage for grain, the department predicted a 1973 corn crop of just under 5.9 billion bushels.

This would be ahead of last year's 5.55 billion bushels and exceed the previous record of 5.64 billion bushels set in 1971.

The Agriculture Department's corn acreage estimate is less than the 6 billion bushels department officials had hoped for but would be significantly above the 5.7 billion many trade observers had anticipated.

The soybean harvest projection, based on the acreage report, was for a crop of 1.59 billion bushels, 24 percent higher than last year's 1.28 billion.

Based on the expectation that poor weather would lower soybean yield this year, trade analysts have been expecting a soy-

bean harvest of only 1.45 billion bushels.

Wider Canadian Curb

OTTAWA, July 10 (AP-DJ).—Canada announced last night it is widening the export controls it imposed June 29 on soybeans, flax, rapeseed, cottonseed and linseed oils and their by-products.

Trade Minister Alastair Gillespie said the list would be extended, effective today, to a series of edible oils, animal fats and livestock products.

The new commodities include sunflower seed, cake and meal; alfalfa products; packing house products such as meat, bone, blood and feather meal; vegetable oils; all mixed feeds for livestock and poultry; and in 90-pound units or over: tallow; brewing by-products such as distillers' solubles; and brewers' and distillers' grain; corn gluten feed and meal; soybean lecithin, and methionine.

Speaking in the Commons, Mr. Gillespie described the controls as "further precautionary measures" and said they are being imposed in light of the U.S. decision last week to place 41 commodities under export restrictions.

However, exporters with contracts signed before June 29, the date the first series of controls went into effect, will be able to apply for an export license to meet their commitments, the minister said.

**Danish Discount Rate
Increased to 8 Percent**

COPENHAGEN, July 10 (AP-DJ).—Denmark today raised its discount rate to 8 percent from 7 percent, effective tomorrow, the central bank said.

The bank said the rise was due to general increases in international interest rates. The discount rate had been lowered to 7 percent from 8 percent when Denmark joined the Common Market.

German Living Cost

WIESBADEN, West Germany, July 10 (AP-DJ).—The West German cost-of-living index was 148.2 (1962 equals 100) at mid-June, up 0.7 percent in a month and up 7.9 percent in a year, the Federal Statistics Office reported today.

One Dollar

LONDON (AP-DJ).—The late or closing interbank rates for the dollar on the major international exchanges:

	Today	Prev.	Ch.
Star. (per £)	2.5643	2.5708	— 0.0065
Bilco to A1	36.2	35.0	+12.40
Bilco to B1	35.25	34.725	+0.525
Deutsche mark	2.3625	2.3625	—
Deutsche franc	5.45	5.45	—
Scrub	22.125	21.90	+0.225
Fr. to A1	4.055	3.9775	+0.0775
Fr. to B1	4.048	3.9775	+0.0705
Irish pound	2.61	2.575	+0.035
Lira (A1)	4.30	4.20	+0.10
Lira (B1)	61.2	59.5	+1.7
Swiss franc	83.75	84.5	— 0.75
Yen	36.035	36.035	—
Schilling	17.255	16.775	+0.48
Sw. crown	4.072	3.94	+0.132
Swiss franc	83.75	84.5	— 0.75
Yen	36.035	36.035	—

† Indicated.
Percentage change against the dollar from central rates set by the 1971 Smithsonian agreement as calculated by Morgan Guaranty Trust Co. The figures are based on currency quotations in New York.
A: Free. B: Commercial.

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**Notice for the submission of tenders
for the construction of the
Jbel-Tripoli Highway in Lebanon**

The "Conseil Executif des Grands Projets" will accept tenders for the execution of construction of a 44-kilometer highway between Jbel and Tripoli.

The construction of this Highway will be entrusted either to one firm, or to three separate firms. In the latter case the sections will be as follows: Jbel-Batroun "14.5 Km."; Batroun-Chekkia "15.5 Km."; Chekkia-Tripoli "14 Km."

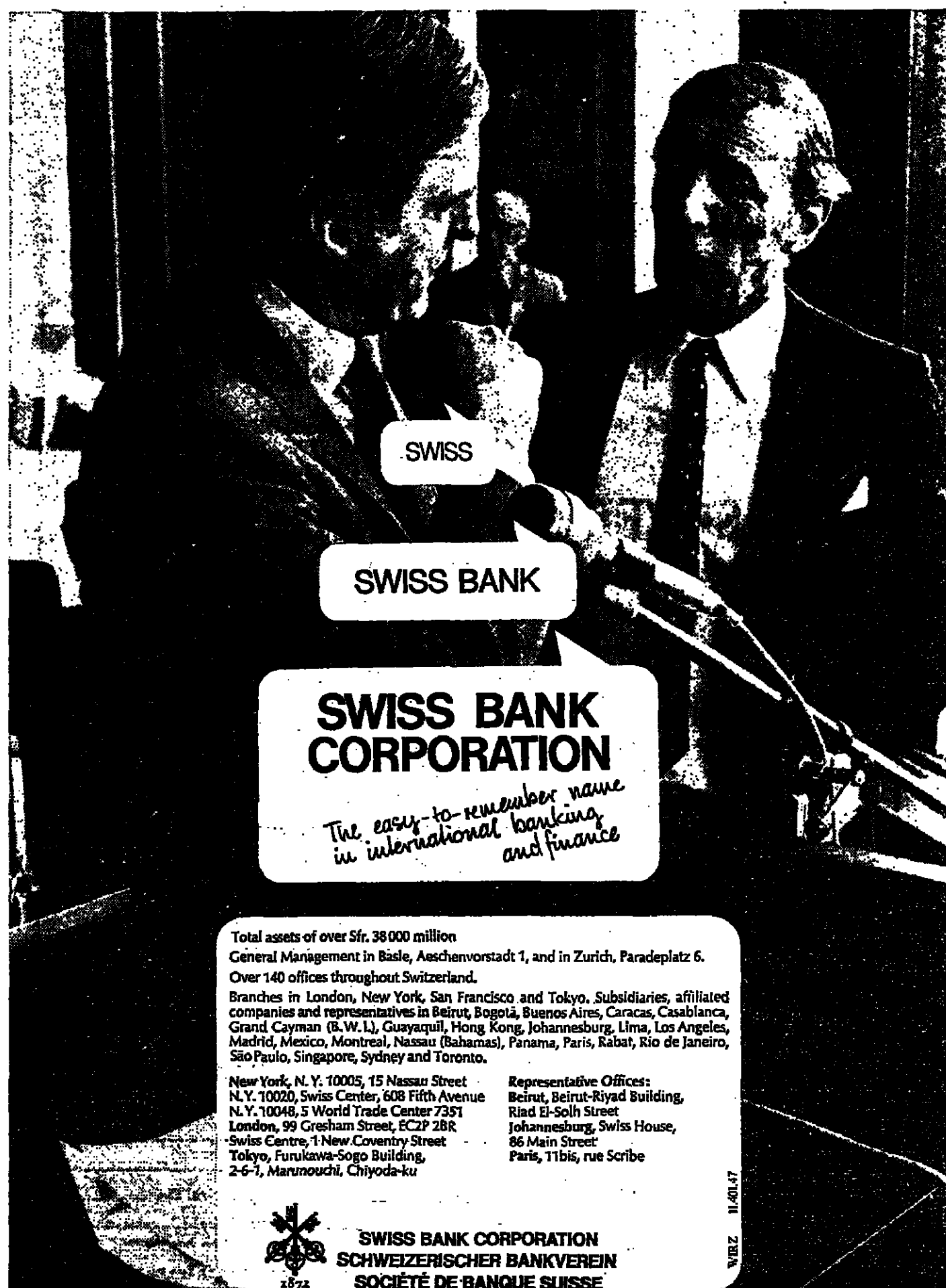
The present notice concerns the prequalifications of the firms which may submit tenders. All interested firms may obtain the corresponding prequalification files by addressing themselves to the "Etudes de Conseil Executif des Grands Projets" at Bir Hassan, Immeuble Garimarian as of Monday, May 28, 1973, against payment of one hundred (100) Lebanese Pounds for each prequalification file.

All references and documents of the candidates should reach the Management Committee of the "Conseil Executif des Grands Projets" at the latest at noon on Wednesday, August 1st, 1973.

Firms selected or rejected will be notified directly by the "Conseil Executif des Grands Projets" before Thursday, September 27, 1973.

THE PRESIDENT
CONSEIL EXECUTIF DES GRANDS PROJETS
Moshah NATOUR

POSTAL ADDRESS:
Conseil Executif des Grands Projets
R.P. 5307, Beirut, Lebanon.
CABLE ADDRESS:
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Telephone: 270146.



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-1973- Stocks and Bonds							-1973- Stocks and Bonds							-1973- Stocks and Bonds														
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-1972- Stocks and Div. % P/E										-1973- Stocks and Div. % P/E										-1974- Stocks and Div. % P/E											
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Red Sox Continue Climb Toward Top

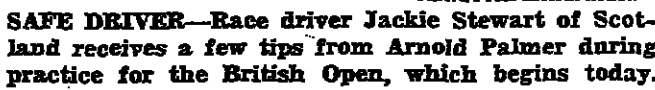
Major League Standings.

Boston at Philadelphia, night.
New York at Chicago, night.
Kansas City at Milwaukee, night.
Texas at Detroit, night.
California at Baltimore, night.
Cleveland at Cleveland, night.

[illegible]

By Fred Tupper

Nicklaus has a score to settle here, mindful that he finished 39 strokes behind Palmer then, and a score to settle with Trevino, too, who robbed him of his



The Scoreboard

By Brian Glanville

Romanian, Stefan Kovacs, who in turn has been appointed as manager of the French international team. Perhaps we shall

The Scoreboard

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(Continued from Back Page)

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Observer

Death of Iron Man

By Russell Baker

WASHINGTON.—We had sat up all night with the dollar, and made the children do the same although they did not like the idea very much. They did not have the feeling about the dollar which we had.



Baker

To them the dollar was only a bore. Whenever they had wanted a dollar, somebody had always given them one, and often, several. This made for an irreverence that was disagreeable at such a time, and I said we should let them go to bed because the dollar was not important to them, and it was cruel to make them sit up yawning, but grandfather said this was a historic time for children to live through and there would be whole lifetimes for them to sleep afterward.

The doctors had come around midnight. They always looked happy at each call, and afterward the dollar would fall some more. The chief specialists were Dr. Nixon, Dr. Shultz and Dr. Stein. All held degrees as doctors of groundless optimism.

Their routine rarely changed. Dr. Stein always showed us the latest chart and said it meant the crisis had passed. We always shuddered when we heard this because next day the dollar's trail dry cough always became frailer and drier.

Shultz always said that recovery was just around the corner. We always shuddered when we heard this because next day the dollar was sure to weaken so that it could scarcely buy a half-pound of beef.

Nixon would always say that there was no truth in rumors that the dollar was going to undergo amputation—"be devalued," was the technical term. We always shuddered when we heard this because the next week the dollar would always be devalued once more.

This night grandfather approached the doctors with his usual gravity. It was a grave time for him. He remembered

the dollar when it had been called "the iron man." Stein was rhapsodic. What a rosy future that good old dollar had before it! he cried. Shultz said recovery was just around the corner. Nixon said there was absolutely no truth in these rumors about devaluation.

About 3 a.m. the dollar's rasping noises became very faint, and there was a connection at the door, and in came Connolly. It was obviously a severe crisis.

Once before at a time like this Connolly had dealt with the crisis by kicking the Japanese in the teeth, and the dollar had stopped declining for several months afterward.

Grandfather cried "Hooryay!" when he saw Connolly and said he'd bet a yen, if he could afford one, that the doctor was going to kick the Germans in their Volkswagens. We were soon disappointed, for the doctor mumbled something about wanting to see Nixon about a severe case of water on the knee, or maybe gate, and rushed out.

At 4:30, when there was no longer any sound at all from the sick room, one of the Germans approached us and asked if we would like to trade him the family silver for a carton of cigarettes. Striving to seem sympathetic, he told us to cheer up; with luck, he said, we might someday lose a war to the United States.

At dawn there was a miracle. Into the room where we were waiting came all our creditors. They were cheering and huzzahing and bells were ringing as they handed us a complete set of new revised bills. It was truly miraculous. All the old-style bills were gone.

The old bills had been computed in dollars. The average car repair, old style, had cost \$87; the average hedge-trimming, \$17, and so forth. Now—wondrous to say—all bills were computed in hundreds of dollars. Car repair, \$300. Hedge-trim, \$100. "The dollar is dead!" cried the creditors. "Long live the one-hundred dollar!"

Stein entered and said things were going to be wonderful by late afternoon.

Allyn Cox working on a mural in the House wing of the Capitol. This segment shows the Capitol being used as a hospital during the Civil War.

Why the Painters Are at the Capitol

By Michael Kernan

WASHINGTON (WP).—People are always gawking up at the painters on their scaffolding in the House wing of the Capitol and saying authoritatively, "Oh, yes, they're restoring those old murals up there."

The fact is, these are totally new murals. They are the work of Allyn Cox, a prominent New York artist who at age 76 is completing a project begun in 1877 by the late Constantino Brumidi in the Rotunda. Brumidi died after falling from a scaffolding at age 72, and Cox later finished the rotunda mural.

Originally the House voted for "plain brown democratic walls" in contrast to the Brumidi frescoes on the Senate wing, but last summer Cox's design for the 63-foot corridor finally won approval.

Year's Work

Work began last February. It will take about a year to complete, according to Cliff Young, a muralist and portrait painter who has joined forces with Cox to oversee the \$80,000 job.

Two assistant painters, John Roach and Dennis Teigeler, are helping with the complex work, which involves transferring full-scale cartoons to the ceiling by a technique called pouncing (perfusing the lines of the drawings and puffing charcoal dust through the holes onto the wall) as well as executing remarkable trompe-l'oeil decorations and frames.

Money for the murals was raised by the society with postcards, tracts and books sold in shops around the building. This is, as Young noted, privately funded, though Congress and the President were given final say-so on the design.

Cox's murals depict episodes in the life of the Capitol, from its destruction by the British in 1814 to its use as a hospital in the Civil War.

There are also pictures of state capitals and of the eight men who have been U.S. Capitol architects. Photographs of old drawings showing the various capitals



Eight Men

There are also pictures of state capitals and of the eight men who have been U.S. Capitol architects. Photographs of old drawings showing the various capitals

were taped everywhere. Work goes slowly, though not as slowly as the earlier Brumidi frescoes, which had to be done on wet plaster. The new work is in oils on canvas, which is fastened to the ceiling.

"It's pretty tough, leaning back all the time to paint on the ceiling," Young said. "But you get used to it."

PEOPLE: Psychologist Looks At Hair on the Face

The more hair a man college student has on his face, the better he is, according to a study by Robert F. Peck, a San Jose (Calif.) State University psychology professor. He paid eight students \$10 each to shed their beards in stages and had photos taken of each man from full beard to goatee to moustache and finally clean shaven. Each photo was then rated by 128 students, men and women.

"There seems to be a positive relation between the amount of hair on the person's face and the perception of his masculine nature, future, good-looking, self-confident, courageous, liberal, nonconformist and industrious," Peck said. He also admits not being sure if his findings would apply off campus. Peck, incidentally, has just shaved off his own beard.

They're more trouble than they're worth.

Lindsay Dora Monday became the first woman in the Virginia National Guard—she said she needed a part-time job. The 20-year-old Richmond resident plans to use her Guard money for travel.

Charles Bernard, 48, went to jail Monday for six months in Grenoble, France, his 40th rap for dining well but not too wisely. His latest sentence was the result of a four-course meal at the Suisse at Bordeaux in Grenoble. When the waiter brought the check for 149.50 francs, he said, "I have no money. Call the police." A former member of the Foreign Legion who lives on a pension, Bernard told officers that his mother had been a great cook and he could not resist a good meal. While in jail, he plans to write a food guide to French prisons. Arignon has the worst, he says.

STRANGE SIGNS: A snow-blow on the Cologne-Bonn highway during the heat wave Monday. Seems police ordered it out to clear the road of 10 tons of broken lemonade bottles. The driver of a truck carrying the lemonade fell asleep at the wheel and made a jump out before the truck crashed.

"One thing is certain—if we decide to divorce, I swear I will never marry again." This comes from an Elizabeth Taylor interview published in the West German magazine Bunte Illustrierte Tuesday. "The love between us

COVERUP: Because of objections from the Greek Archdiocese, Miss Unh Beauty Pageant contestants not make their final appearance this year in bathing suits. Society objects to nudity in time of a Greek election. In benefit of TV viewers in countries, contestants will appear in bathing suits outside theater before slipping into something more appropriate (see gowns) for events inside.

MEANWHILE, Chicago Daily columnist Mort Edelson said that the real story of the Taylor-Richard Burton marriage was not so sensitive that it has—nor will make it p. 16. Burton's brother died a month ago. His brother's 40th birthday.

Ten days ago, Edelson said when Burton and Liz were in New York, she said she was to visit her ailing mother in Angeles. Burton told her he not want to make the trip, said he had had enough hospitals and serious illness.

Then last week she flew to New York and he met her at the airport. They were going to the Long Island City of their attorney, Aaron Pry also a close friend. But in car they had a violent quarrel. Burton went to the French hotel, the Regency Hotel in New York where she released her status to the press telling of their arduous.

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MONTMARTRE. In private mansion
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